THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

VOL. XVII Annual Subscription, $5.00 PUBLICATION OFFICE: TORONTO, MAY 4, 1923 Single Copies, 10 Cents. No. 18

CANADA'S TRADE OUTLOOK AS SEEN BY HON. J. A. ROBB

Now Second Largest Exporting Country Per Capita.

FACTORY PRODUCTS

Form a Large Portion of Total as Well as do Agricultural—Prosperity Depends on a Policy of Give and Take.

By HON. J. A. ROBB.
Minister of Trade and Commerce.

Canada is to-day reaching out for trade around the world, and geographically we are well situated to reach not only the markets of Europe and of the Orient, but of the various British Dominions, as well as other countries. If you doubt this, take a look at the map, examine the globe, and you will be convinced of the favorable position Canada occupies; next door to a market of over 100,000,000 people, we are within not much over one week of the United Kingdom of Europe, three weeks to Australia, and New Zealand, South Africa and to India; two weeks to China and Japan. Canada has nineteen or twenty first-class customers; our best customer is the Mother Country, the United Kingdom; our neighbor to the south, the United States, is a very close second, while the sister dominion of Australia ranks third; Japan fourth; France fifth; with Italy and Belgium following close. New Zealand wants the best, is able to pay, and the people of that dominion are very friendly towards Canada. Germany, our enemy of yesterday, is to-day one of our good customers. Canada's total export trade for twelve months ending February, 1923, was $928,356,656, or an increase over the same period, 1922, or $165,808,061. Of this total quantity, the United Kingdom took $379,540,481, United States $349,292,392, the balance being shipped to Australia, Japan, France, Italy, Belgium, Netherlands, British West Indies, Newfoundland, New Zealand, Germany, China, Greece, Norway and Sweden, Cuba, Mexico and a number of other foreign countries.

Farm products bulk large in Canadian total exports, but farm products are not all. Canada has perhaps unconsciously reached the position where she is becoming not only an export nation, but a nation that exports largely of manufactured products. From figures supplied by the Dominion Bureau of Statistics, I find that for the year ending March 31, 1922, Canada's export of raw and manufactured products compared favorably with those of our great neighbor to the south, the United States; during that period the exports of raw material from the United States was:

	U. S.	Canada
Raw material	39.1%	44.5%
Partly manufactured commodities	11.1%	14.5%
Manufactured commodities	49.8%	41.0%

but if you examine our exports on a per capita basis, you will find that of the nineteen exporting nations, there is but one country that exports more per capita than Canada; that country is the sister dominion of New Zealand

with exporting per capita of . .	$154.54
as against Canada	100.63
Australia	99.59
United Kingdom	69.36
United States	33.95

The total Canadian exports for year ending February, 1923, were $928,356,565, of which 6% was semi-manufactured, 42% manufactured or finished product. Compare this with 1890, 32 years ago, when our total export trade was but $185,000,000, less than 6% of which was manufactured. But Canadians must not rest at present-day achievements. I believe that within a very few years we can not only double our export trade, but we can also increase at least by 20% the ratio of our manufactured products, and we shall provide work for Canadians at home where no hostile tariff can prevent our farm products from reaching the breakfast table of the industrial consumer. Would it hurt the farmers of Canada if we had two or three times our present number of contented workers? Would it hurt the factory workers if the farmers of all Canada had more customers, more revenue, greater purchasing power?

If Canada is to have that growth and development which all desire, and for which Canada has provided schools, colleges, churches, highways and railways, Canadians must be prepared one and all to give and take. The ambition of the government of which I am a member is to restore Progress, Prosperity and Contentment throughout all provinces of our vast Dominion.

A New Scotch Colony That Canada Missed

Twelve thousand acres of land in Palm Beach County, Florida, have been purchased by Young Kinleyside, a Scotsman, who will divide the property into farms and lots and settle them entirely with Scotsmen. Why did our Immigration Department at Ottawa miss this opportunity?

Deduction Allowed in Case of Debentures

The loan and mortgage companies will be allowed to deduct interest paid on debentures before estimating net profits for the purposes of the federal income taxes. The ruling on this point has been issued by the Commissioner of Taxation on a decision rendered by the Department of Justice.

The anomalous stuation still prevails regarding industrial bond interest, however, in that the department has ruled that such interest cannot be deducted and must be considered in the same category as stock dividends for taxation purposes, while no change has been made in the provision that such interest is also taxable as individual income. It is this double taxation which is contrary to the spirit of the income taxation program.

Deductions for interest paid on deposts and for interest paid on bank loans are evidently to be allowed, the rulings following the British precedent which makes a dividing line between money borrowed on current assets and money used as "raw material" in a business as compared with capital as represented by capital assets.

MERCHANT MARINE COSTING CANADA MANY MILLIONS

Net Loss Last Year Was More Than Ten Millions.

OTTAWA.—The total deficit on the operations of the Canadian Mercantile Marine last year, including interest and depreciation, was $9,649,478. The gross revenue from closed voyages was $9,705,786, the operating expenses being $12,089,976, leaving an operating deficit of $2,384,189. The interest on notes due to the government was $4,078,277; depreciation was $2,932,130; the reserve for outstanding liabilities $40,000; the reserve for doubtful debts and claims, $96,122, and the interest on the government advances, $118,759.

"The loss in operation of your fleet during the year owing to adverse conditions in the steamship business was to be anticipated. It is admitted by the best authorities that the past year was the worst in recent shipping annals. While tonnage offering increased to some extent, the commodities were of lower value than in preceding years and, as a consequence, the earnings fell off considerably. Outward tonnage was fairly well maintained, but on the other hand the inward business, more especially from the United Kingdom, Oriental and Australian ports, fell away to such an extent that it was exceedingly difficult—and at times impossible—to obtain. On this account, a great proportion of the voyages during the year resulted in loss."

The following recommendations are made:

"That the fleet be kept in operation but reduced to a total complement of 37 vessels, the balance to be disposed of.

"That the capital cost of the vessels be reduced to what may be considered present replacement value, as recommended in our report for 1921.

"On account of the great value to the Canadian National Railways of the operation of vessels on recognized trade routes, your directors would be much opposed to withdrawing altogether from such services but desire to confine operations to vessels suitable for these services and capable of making an economic performance."

It is suggested that as $50 a ton would represent construction cost of the fleet that this should represent fair replacement value.

American Tourists Bring New Money to Vancouver

Vancouver is preparing for a very busy summer and improvements are being made to handle the increased tourist traffic. Before the end of the season, pavement will be completed so that there will be a hard-surfaced road all the way to Seattle, 165 miles, and most of the road is paved to Portland, 368 miles.

An announcement just made shows how the tourist traffic puts money into every line of business. There will be a new hotel of 300 rooms started at once in order to take care of the increasing number of travellers and this hotel will require an investment of considerably over $1,000,000.

New boats, summer camps, etc., are also being added to the equipment for entertaining visitors.

Farming Outlook More Favorable in Canada

At the annual meeting of the shareholders of the Weyburn Security Bank, held recently, many of whom are citizens of the United States, the American shareholders expressed themselves as more than pleased with the sound and flourishing condition in which they found the bank and at the healthy condition of business in Saskatchewan. They were unanimous in stating that farming conditions in Southern Saskatchewan were more favorable than across the line.

H. O. Powell, general manager of the bank, reports to THE FINANCIAL POST that conditions could not be improved much.

SEEDING UNDER FINE CONDITIONS ON THE PRAIRIES

Recent Snows Have Benefitted the Dry Areas

A RAPID CHANGE

Growth Has Come on Quickly in Past Few Days—Wheat Acreage Greater Than Indicated a Week Ago

By E. CORA HIND.
Commercial Editor, Manitoba Free Press.

WINNIPEG.—Seeding is now very general over the three Western provinces and recent wet snows in Southern Alberta and south-western and central Saskatchewan, where it was very dry last year. have supplied the needed moisture. Speaking broadly, the seed that has been planted and that which is now going in, has an excellent seed bed.

Indications at present are that there will not be any curtailment of wheat acreage in Alberta and that the lessened acreage in Saskatchewan and Manitoba, due to lateness and water on the land, will be considerably smaller than was feared even a week ago.

It is probable that any land, in Manitoba particularly, that is not dried off in time for wheat will be seeded to flax, as the world outlook for that grain is good and it can be seeded with safety up to the end of the first week in June.

There will be a material increase in acreage seeded to fodder corn, sunflowers, and sweet clover in all the provinces.

Alberta reports 30 per cent. of wheat seeded to April 30th. Alfalfa and winter rye are reported to have come through the winter in fair shape in all the provinces. Northern Saskatchewan and northern Manitoba report seeding of wheat general, which on the whole is, if anything, a little earlier than usual for those territories.

The prairies have been transformed in the last four days and new arrivals are almost stunned at the rapidity with which the grass is coming and the buds bursting on the trees. The unbroken prairies for miles in some districts bluey purple with anemone patens "wild crocuses," the provincial flower of Manitoba.

The Tax on Grain

The new tax on grain futures came into effect May first but created no stir so far as the Grain Exchange was concerned. The grain men have never opposed the tax and simply provided the necessary equipment for making returns and automatically it went into effect.

The tax is on sales and not on pur-

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AS OTHERS SEE IT

The Prospects for Canadian Business in 1924

A recent bulletin issued by the Babson Statistical Organization, Boston, advises their U. S. clients to look ahead to 1924; that a sales department which is dependent entirely on the northeastern United States may find itself in a bad position, and continues:

"Remember 1920. This industrial area is the boulder that starts the avalanche. As a precaution, therefore, gradually build up distribution in California and Canada."

Canada Not Interested in Turkey

The association of so-called prominent Canadian financiers in the great Turkish oil concessions being played up this week in the press despatches is really of very doubtful advantage to Canada.

In fact, we believe whole series of cables are not sent out as news but are inspired by interests to influence Canadian opinion.

The POST had occasion to investigate the matter last autumn, when the activities of this group were being used to hold up and annoy the British in their Turkish negotiations after Lloyd George and his friends had been eliminated. It was then represented that Canadians of high standing and influence in business and finance were interested. These representations naturally had their effect in official circles in London, Paris and elsewhere. Investigations showed that no Canadian financier of importance was involved but that C. A. Barnard, a Montreal lawyer, and Clayton Kennedy, a soldier of fortune, were acting for a group in London and New York—a group whose history during and since the war certainly does not entitle them to moral support from the Canadian or British Governments, or the financial endorsement of reputable and loyal Canadians. The freedom with which Mr. Barnard gossipped last year about the matter would lead to the inference that he himself was not aware that the interests for whom he was acting were mere camouflage for an inner group who were working on a far deeper plot than he ever dreamed of. The same may be said of the U. S. Admiral Chester—and his son. British interests which have come in contact with them in Turkey say they are both mere figureheads.

These promoters have no more right to quote Canada in aid of their schemes than Lloyd George had to use our good name to bring on a war with Turkey to cover his political iniquities.

British Banks Plan to Develop the Resources of the Empire

Canada Directly Interested in the Statement of Policy Made by the Head of Barclay's Bank in Address in the United States.

From Our Own Correspondent.

NEW YORK.—Are the big British banks planning to get behind a plan for the development of the natural resources of Canada and the other Dominions on a large scale? This is the question local Canadians are asking themselves after reading the speech which Frederick C. Goodenough, chairman of Barclay's Bank, Ltd., delivered before the Executive Council of the American Bankers' Association last week. He said: "The actual method of payment of this great sum of $4,600,000,000 plus interest cannot as yet be foreseen. The effect of the Fordney Tariff will probably be to discourage the shipment of such of our manufactured goods as may be likely to compete in your home markets. It is probable, therefore, that these goods, instead of being shipped to the United States, will be shipped to British colonies and other countries and will in effect be used to pay for shipments of goods which the United States will take from them."

To Invest Heavily

As one Canadian banker pointed out to your correspondent, in commenting upon Mr. Goodenough's address, this passage in his speech indicates at least a personal conviction that British capital must be heavily invested in those Dominions from which the United States has been in the habit of drawing raw materials. Although this may only be a personal conviction, it is quite probable, in view of Mr. Goodenough's position as head of the British Bankers' Association, that it may also be the opinion of a large number of the members of the association he heads. If this is the case, as this Canadian banker pointed out, Canada may well be interested in this pronouncement of the head of Barclay's Bank; it may give at least an inkling of the policy the larger British banks intend taking in the near future regarding the investment of British capital in large amounts in the Dominion.

Strength is given to this surmise by the information regarding the agenda of the coming Imperial Economic Conference in circulation here. This program, while frankly admitted to be tentative, clearly indicates that the principal purpose in the minds of those organizing the conference in London will be to strengthen the financial and commercial bonds binding the Dominions and colonies to the Mother Country. The question of Imperial preferential tariffs is apparently to take a prominent place in the discussions. The question of the extent to which Britain is to make use of Dominion raw materials in preference to those originating outside of the Empire is to be thoroughly threshed out. And more important still from the view of those interested in the industrial future of the Dominion of Canada, the question of the advisability of the establishment of British branch factories in the Dominions will be carefully considered. And last but certainly not least the Conference will be called upon to consider the improvement of methods of communication between the different parts of the Empire.

Among thoughtful Canadians here the inclination is to consider the Brit-

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Optimism Revives With Spring Seeding in the Canadian West

Politicians Desist in Their Mournful Sympathy for the Get-Rich-Quick Grain Gambling Farmers Who See Everything Wrong With the Country and Nothing With Themselves

Special Correspondent.

REGINA.—Not excepting influenza and German measles, pessimism and optimism must be considered as the "most catching" of all epidemic diseases. After suffering for many months from a virulent visitation of pessimism, that disease has been almost entirely eradicated. Optimism is raging—positively raging—in Western Canada.

Some attribute the arrival of spring to this startling reversal of thought. Spring may have something to do with it. The depressing influence of winter having passed and a season of hope, sunshine and song inaugurated, has an undoubted effect. But the real reason for the contagious optimism which is even now sweeping throughout the prairie provinces—Saskatchewan in particular—is not alone because the birds are singing and trees and plains again blossoming forth into green verdure. It is because everybody realizes just how harmful to the West has been the recent, sustained epidemic of pessimism. So it is that political leaders of all groups have abandoned the almost hopeless attitude they assumed a few short months ago, and are voicing cheery forecasts for the future.

The success of the political strategist consists almost entirely of saying the things which please the voter. Taken in bulk, the public is not so receptive to truth as idealists of "pure politics" theories would have us believe. A few months ago it was expedient for party leaders to commiserate with those on the land, to sympathize with the agrarians in their serious problems. To-day, it is expedient to make orations of hope and those who seek the support of the rural population are hard at it.

The Get-Rich-Quick Idea

As in discussing any subject which concerns Western farmers, it is necessary here to divide into two general groups those who wrest their living from the soil:

1.—The true farmers—those contented with making living conditions easy as opposed to making an easy living.

2.—So-called agrarians who would legislate prosperity by class measures; who advocate political principles for the promotion of the industry along lines where it will yield great wealth to the individual without undue expenditure by the individual, of time or labor.

Farmers who are farmers in the truest sense of the word are a great asset to a nation, not merely because they produce food and utilize basic wealth for the common good, but because their "satisfied" state of mind

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TROUBLE BREWS WITH N. SCOTIA STEEL WORKERS

Red Leaders From States Likely to Inflame Opinion

From Our Own Correspondent.

ST. JOHN.—The sane business interests of the Maritime provinces look with misgiving on the projected visits to the provinces of New Brunswick and Nova Scotia of Alexander Howatt and William Z. Foster, leaders in the Red Internationale, also known as the Workers' Party of America. Howatt is the deposed president of the Kansas United Mine Workers. For his radical utterances he was expelled from organized labor and was placed in jail. He has served the term and is now about to visit the Maritime provinces at the urgent invitation of the Maritime district of the United Mine Workers. The district executive is entirely radical and affiliation has been made with the Red Internationale at Moscow.

Foster will not be in a position to visit the Maritime provinces as early as anticipated owing to the decision of the authorities in Michigan to try him again on the charge of criminal syndicalism. On his first trial recently the jury disagreed, six to six. Foster has been extended an invitation by the steel workers in the employ of the British Empire Steel Corporation. He led the steel strike of 1918, and is a recognized Red. Both Howatt and Foster advocate sabotage, violence and disorder. The British Empire Steel Corporation is preparing for emergencies, guards having been placed on the company's property.

The steel workers demand a thirty-per-cent. increase in wages and a closed shop. The company has allowed a twelve and one-half-per-cent. increase in some cases, but will not agree to the closed shop. The miners demand a huge increase in wages, the definite advance not having been named. Additional demands are for the closed shop and a continuation of the check-off in union dues. Under this latter system the company has been collecting union dues from the wages. President Wolvin announces decision to discontinue the check-off system, and to maintain an open shop. Further, he states the British Empire Steel Corporation is not in a financial position to allow substantial increases in wages. H. W. Corning, a Conservative member of the Nova Scotia legislature, has demanded an investigation of the industrial situation, and alleges the government is under the dominance of the coal and steel interests.

FAIR TREATMENT MUST BE ACCORDED OUTSIDE CAPITAL

Foreign Investors Must be Assured That Their Investments Will be Safe

CANADA'S RECORD

British People Feel That in Past Canada Has Not Given Fairest Treatment to Capital Sent to Country

From Our Own Correspondent.

MONTREAL.—While giving attention to immigration as a necessary preliminary to going after further capital for Canadian development, Canadians must consider the treatment accorded to private capital that has in the past been invested in Canada. Is British capital going to other Dominions and to the United States because it has not been given fair treatment in Canada in the past? Some British financiers would answer "yes." Some would answer "no." Which is not very definite.

Let us consider what a former Canadian, now in the front rank of British financial men, has to say. It is his opinion that a number of Canadian propositions, that have involved English investors in heavy losses, rankle in the minds of people over there because the Canadian side of the story had never been explained. He instanced the Grand Trunk award and the Prince Albert settlement. The British investors who bought Prince Albert bonds got a high yield and must have known they were investing in the securities of a town that at that time was a "boom town" though it has since acquired much stability. They took a chance and lost out. London financial papers attacked the settlement by which the bonds were refunded for a long time and at reduced rates of interest, with great vigor. But no attempt was made from Canada to clarify the situation by explaining that the British investor may have got all he was entitled to.

Explaining Grand Trunk Matters

The same with the Grand Trunk award. When the award came out allowing common and preference stock holders nothing for their holdings the London board of directors created tremendous propaganda to convince British shareholders that they had been "done." Perhaps the directors were trying to throw out a smoke screen to hide their own inefficiency and misdemeanours. But they were successful and British people got the idea that Canada was a mighty bad place to invest money. Not a single step, so far as can be recalled, was taken by the Canadian government to indicate to British investors that the Canadian side of the Grand Trunk story had some merit to it as well as the Grand Trunk directors' side. The Privy Council judgment affirming the fairness of the award only partially cleared the air. The British holder of Grand Trunk stocks still thinks that the Canadian

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EDITORIAL

A Conscience Tax Doesn't Work—Hon. Mr. Robb's Optimism—Begging as a Profession—The Ontario Savings Office—In the Public Interest.

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Subscribed Capital - - £38,117,103
Paid-up Capital - - - 10,860,852
Reserve Fund - - - - 10,860,852
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ANOMALIES IN APPLICATION OF THE SALES TAX

How It Works in Case of Dealers Selling to Manufacturers

UNDERLYING BONDS

Some Distributors Were Left Seriously Handicapped by Amendment Intended to Remove Discrimination

By C. W. GRAHAM,
Buntin, Gillies & Co., Hamilton.

The sales tax like the customs tariff, is collected largely before the ultimate consumer enters into the transaction, and is consequently among the least objectionable forms of taxation. It has been accepted by the people, without much complaint, and as there seems to be little prospect of a relaxation in the necessity for revenue, its continuation with a possible increase in rate (should necessity demand it), may be expected.

This is all the more reason why it should be based on sound fundamental principles and be free from all discriminations and unfairness—which the present act admittedly contains.

When first announced, it called for a tax of 1 per cent. to be levied and collected on sales by manufacturers and wholesalers. This was so grossly unfair to all wholesale distributors that it brought immediate protest, and before the act became law, an amendment intended to remove this discrimination was made.

On material or merchandise which does not pass through the hands of more than one manufacturer and one wholesaler before reaching the retailer or consumer, this amendment rectified the trouble, and the act as it stands is quite reasonable.

Unfortunately, there are many dealers who sell to licensed manufacturers, who are entitled to purchase at 2¼ per cent. from manufacturers who distribute their own product. For this reason, the amendment intended to bring relief to all wholesalers, left some seriously handicapped.

On sales of large quantities which must be sold (in competition with mills selling direct) at a close margin, the tax is so heavy that such business is prohibitive. The same conditions apply to production.

One concern with large capital and wide-spread ramifications may obtain raw material from the field, forest, or mine, put it through its various processes, and sell the finished article ready for ultimate consumption. Other manufacturers perform only one or two operations of the process of manufacturing and then pass along the material in a semi-manufactured (as far as the ultimate consumer is concerned) state, to other manufacturers who perform one or more operations and again pass it along; consequently, by the present system these products are taxed at a very much higher rate than those of the larger corporation.

Before reaching the office in which it is to be used, the materials in a business envelope, for instance, may pass through the hands of a pulp mill or a rag collector, a paper mill, an envelope factory, a paper warehouse, and a printing office; that means five opportunities for taxation. See then the advantage that a large corporation covering perhaps all of these activities (and consequently escaping all except the final tax) has over its smaller competitors who between them have to pay all five.

Regarding the ruling that when a person or firm performs work for another person or firm, all material being supplied by the latter, and the charge made by the person or firm doing the work is for labor only, the sales tax does not apply.

There seems to be no logical reason why labor on material owned by the seller should be taxed and the same labor on material owned by the buyer should not be taxed—and this system practically invites crookedness or to say the least, interferes unjustifiably with the natural channel of trade.

When an envelope manufacturer buys paper he pays a tax of 2¼ per cent. When he sells to a retail stationer or consumer he must collect 4½ per cent. on the entire value including both the paper, which has already been taxed 2¼ per cent., and the cost of manufacture, whereas if the retail stationer or consumer buys his own paper and sends it to an envelope manufacturer to be made up, he can save 2¼ per cent. on the cost of the paper and 4½ per cent. on the cost of making, which is a distinct discrimination against the bona fide manufacturer who serves the public by carrying a large stock, and results in interference in the natural course of trade.

To carry it a step nearer to the consumer, let us consider a buyer of printing who, on top of the increased cost, is charged 4½ per cent. sales tax on the total value of his job, but who, by purchasing his paper from a paper dealer and sending it to the printing office to be printed, could save at least three quarters or possibly the whole 4½ per cent.

When a taxing act contains so much discrimination and when taxes can in so many instances be quite freely though legally avoided there is certainly just ground for complaint, and the great wonder is that such complaints have not so far been strong enough to bring about redress.

It is useless to find fault with matters as they are without suggesting some practical method to rectify them. It is believed by many who have studied the subject, that the discriminations that have been mentioned, as well as others, could be avoided by the adoption of an act whereby:

> Sales by licensed manufacturers or wholesalers to other licensed manufacturers or wholesalers for resale either in the same condition or after further processing, should be exempt from Sales Tax.
>
> That all other sales by licensed manufacturers or wholesalers, namely, those made to retailers or consumers, should be subject to the full tax, which at present stands at 4½%.

This would naturally and automatically do away with the necessity of practically all exemptions which are now made, and would be fair to the products of large or small manufacturers no matter how such goods are being marketed.

The present 2¼ per cent. rate would be entirely done away with, and when taxable, all sales would be subject to 4½ per cent.

In addition to the absolute fairness of this suggestion, it would mean that as the tax applied to the sale of merchandise including the cost of distribution, viz.: when at its highest value, it would yield a maximum of revenue, and as the tax would be absolutely fair to everyone and would be passed on and ultimately paid by the consumer, there would be no reasonable objection to its increase should necessity demand.

This suggestion would do away with the present unfair advantage which is held by manufacturers who pay little or no taxes on their raw material and sell their product direct to printers.

This competition can only be met by adding a bare commission to costs and such a practice is at present prevented by the necessity of considering that nearly one-half of 5 per cent. gross profit, nearly one-third of a 7 per cent. gross profit, and a full 25 per cent. of a 9 per cent. gross profit must be paid out in sales tax—which constitutes the heaviest taxation ever known, and makes such business impossible.

We are told, and many people believe, that the sales tax can be and is passed on to the ultimate consumer; with the equality in taxation this is no doubt true, but everyone must admit that in the final analysis it is impossible to pass on a tax which one's competitor does not have to pay. The result is either one of two things, both bad (or a mixture of them)—either the man who escapes taxation gets more profit than he is entitled to, or by being forced to absorb the tax, the other unfortunates have to take less.

Japan a Market for Canadian Products When Properly Sold

But Manufacturers Must be Prepared to Send Their Own Representatives to Study Market Conditions and to Meet International Competition

Two months ago THE FINANCIAL POST announced an arrangement with Newton L. Somers, B. S. C., then leaving Canada for a six or seven months' trip to Japan, China, Straits Settlements, Burma, India, Ceylon, Australia, New Zealand and South Africa in the interests of Canadian trade, to contribute a series of articles. The first of this series follows. It deals with conditions in Japan and tells the Canadian exporter of prospects there for his products. The next article will deal with China and others will follow in due course. Mr. Somers is a director of the exporting and importing house of Hill & Company, Toronto.

To the tourist, Japan usually appears as a beautiful group of islands endowed with perpetual sunshine, cherry blossoms and geisha girls. To the resident this is one side. The other is the congested population, intensive farming, narrow, filthy streets and evil smells. But gradually Japan is emancipating herself from this latter condition and becoming more the fairyland that it appears through the tourist's eyes.

I will first attempt, in a few words, to describe some of its principal cities. Yokohama, with a vast amount of shipping yearly passing its portals, is a typical seaport town. It is fronted by an immense natural harbor. Its dockage space is small but is continually being added to. At the present time, though, the greater part of the freight entering this port is lightered. Its streets are narrow—when I say narrow I mean fifteen to twenty-five feet—with no sidewalks or pavement. Neither has it sewers nor waterworks. So you can imagine what a walk means on a rainy day. Tokyo, the Capital City of Japan, with a population of some three and one-half millions, has its sections like Yokohama but in addition has a district—in the neighborhood of the Imperial Palace—with streets as wide and buildings more elaborate than we have them in Canada. This is the new business section and it is the hope of the authorities to gradually reconstruct the whole city along similar lines. This part is very western in appearance. Some parts of the city have sewers and hand flushing carts keep the better streets in a fair state of cleanliness. Unfortunately, these sewers are less than three feet under the surface and of light construction so are easily broken in by heavy loads. Kobe, a port further south, is a comparatively clean, neat city with wide streets and a good class of buildings. The dense crowding of the other cities seems to be lacking here. It is, of necessity, long and narrow to fit the strip of land allotted to it between the mountain range at its back and the sea at its front.

Civic Improvements

In the foregoing brief outline I have endeavored to give a picture of the cities as they appear to-day. Development has made great strides but will make greater and a little thought will show the opportunities for civic improvement and its attendant needs. These improvements, as they will proceed, will create a market for machinery and materials that will be quite worth while. The preferred building seems to be of four or five-storey limit with deep and massive foundations. Japanese houses are now built of wood and paper, no nails being used. In the construction of these houses mortised joints are employed. The Japanese carpenter is an artist at his work and our own hammer and saw variety could not carry his tools which amount to a rude assortment indeed.

But the ever-present and ever-pressing need of the Japanese is for food and clothing. A small and rough area of land cannot support a large population—some eighty million souls. One already in his hotel orders Canadian beef, bread made from Canadian flour, Canadian butter and Canadian cheese. He sees people dressed in Canadian-made clothes and "Made in Canada" is becoming a rather oft-seen slogan. But the potential market for Canadian foodstuffs is immense. Canadian-made clothes are just getting a foothold as the present generation still wears the kimona and foreign clothes are the exception. But the children are being clothed in foreign suits and dresses. So, as they grow up, this habit will continue and in the years to come the picturesque kimona will vanish and leave the market to the makers of foreign-style clothes whether they be Japanese, Canadian, British or what not. The same is happening with foodstuffs. Just as the raw fish and oil-cooked diet of Japan is nauseating to the foreign palate, so foreign cooking has been nauseating to Japan's palate. But this too is gradually changing as the ever-increasing volume of imported foodstuffs shows.

The Japanese farmer of to-day tills his field with wooden plow and bullock. Water for paddy field irrigation is pumped by "foot" power and his crop is threshed by human strength. These things will change. They are becoming slow and expensive for, as is the case the world over, wage rates are rising and when a certain balance point is reached, machines will take the place of man power.

Manufacturing in Japan is as far advanced to-day as ours at home. I have seen clean, well-lighted factories of the latest type, containing American machinery so placed as to give the greatest economy of production. Electricity supplies the power and electric and steam trains distribute the product. Motor trucks are becoming quite common in the cities though their use in long hauling is impossible due to the fact that the country roads are impassable to this form of vehicle. Roadbuilding is just in its infancy. The first serious effort along this line has just been begun in a trunk road some seventy-five feet wide with surfaced top between Yokohama and Tokyo, a distance of eighteen miles. The building of roads will give a great impetus to automobiling which now is almost nil. There are few automobiles in Japan and these few of little utility.

Foodstuffs and Clothing

In the foregoing I have roughly outlined present conditions as I saw them. The immediate markets, I would say, are open to foodstuffs of all sorts, cloths and manufactured clothing, machinery and supplies of all sorts for construction work in its many branches; machinery for the manufacture of practically all common lines of goods with a potential market for farm machinery, etc., and the accessories to the making of Japan into a country using our own standards of life and living insofar as they apply to a non-self-supporting people.

But manufacturers and suppliers must keep constantly in mind that conditions are different to those in Canada. The Japanese through centuries of intimate relations with these conditions know how to meet them. We cannot for a moment expect to foist our ideas bodily on this market. We must study and meet its conditions, make changes where required and sell an article that is the best of its particular kind to meet the conditions prevalent. Then and not until then can we hope to develop a market of magnitude in these islands. Another way of viewing the same idea is to put the shoe on the other foot. Would we for a moment buy kimonas for everyday use, use wooden sandals, eat raw fish and leave our shoes outside the house just because the Japanese asked us to? And still we are attempting to do the same thing with them—trying to break age-old customs and habits—trying to meet their conditions with things unadapted. Think it over. It cannot be done.

Competition Is Keen

Canadians must be convinced that to get into the world's market is a long-drawn-out game of patience. It is not the few rival, local competitors who have to be met, but the world both in quality and price. In an international purchaser, like Japan has become, there has to be a good reason for their changing from one line to another and the ordinary "selling talk" does not get you far for they possibly do not understand English and the interpreted loses its "kick." As they have the world to draw from, some apparent advantage in price, quality or utility must be immediately apparent.

In concluding, the method of getting into the markets of Japan appears to be to send your own representative out armed with all information and full authority. He must be prepared to stay a year, two years, three years if necessary. Either open your own office, preferably in Tokyo or Osaka, depending on your product, or gradually make good permanent connections. It is a money and time-consuming affair. Samples of your product must be on display as intensive advertising campaigns are of little or no use. Use your advertising appropriation to send out samples. Have the samples well exhibited and demonstrated and the business will come. And when you get it coming don't forget that these people have short memories and must be followed up continually. Quality in product appears to be sought after in preference to low price. The market is flooded with goods of poor quality and low price. The business in Japan has to be gone after and fought for to be landed but it can be gotten and it is a pure application of the old saw, "To the victor the spoils."

The total value of the commercial fisheries of the Prairie Provinces and Yukon Territory in 1922 was $1,455,199, a decrease from the previous year of $208,562, or 12 per cent. A slight increase in value is shown for Saskatchewan, but a decrease for each of the other provinces and the territory.

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MONTREAL

Remarkable Growth of Chain Store System

Remarkable growth of the chain system of so-called five and ten-cent merchandising is revealed by a study of earnings since they were first introduced in 1912.

Opposition experienced some years ago from local merchants, bankers and chambers of commerce has been largely overcome, and the opening of a five and ten-cent store by one of the larger companies is hailed in many instances as an indication that the community is looked upon as growing. Agents are continually seeking new locations.

Last year was the best in the history of the chain store business. Woolworth earned $17,624,399, or $27.11 a share on $65,000,000 common, compared with $13,022,960, or $20.04 a share in preceding year. Kresge's earnings were $35.52 a share on $18,-$228,200 common, against $20.25 on $16,110,200 common in 1921. Kress made best relative gain, showing $23.80 a share on its $12,000,000 common, against $8.57 in 1921, increase of $15.23, or 178 per cent. McCrory earnings of $15.06 a share on $7,059,900 compared with $9.10 on $6,209,100 in 1921.

RAISIN GROWERS AS CO-OPERATORS ARE SUCCESSFUL

Marketing Methods Are Again Proven to be Sound

GREAT CONSUMPTION

Standardization of Product and Aggressive Advertising Have Increased Demand—Have No Monopoly

The raisin-growers of California have furnished an example of very successful co-operative business. They control a large proportion of the raisin production of California, and have been successful in bringing order out of chaos in the industry, and making the industry profitable.

When the Sun-Maid Raisin-Growers' Association was formed in 1912 there apparently existed a state of over-production in the industry, for prices to grape growers were unremunerative, the growers were in debt and the outlook unpromising. Under the operations of the association the demand for raisins has enormously increased, prices have advanced to a remunerative basis, and production has increased several times over.

The records of tonnage handled by the association, and of prices and aggregate value of production handled is as follows:

Year	Tonnage Handled by Association	Value	Price per lb. f. o. b. California
1912	24,512	$1,499,470.71	$0.0625
1913	59,228	4,275,743.67	.0666
1914	73,635	5,244,725.21	.0707
1915	98,405	7,570,808.99	.0740
1916	107,039	10,262,597.77	.0888
1917	127,212	13,992,787.59	.0925
1918	149,713	16,530,045.01	.1163
1919	159,262	36,345,138.43	.1662
1920	152,497	38,456,827.82	.1871
1921	120,000	39,048,000.00	.1627
1922	180,000	37,980,000.00	.1055
1923	240,000	(estimated)	

The tonnage of the early years was disproportionately small, inasmuch as the association was building up its membership, and did not handle the share of the crop which it has later. Mr. Seymour, its general manager, has stated that the average of the total tonnage for the five years prior to 1912 was about 70,000 tons. The organization now handles about 90 per cent. of the raisin production.

Increasing Consumption

The raisin-growers have been very prosperous in recent years, as may be judged by the figures for prices and values. Their lands have advanced to high selling values, $1,000 per acre or thereabouts, they have had money to spend or invest, and the cities in the raisin territory have all reflected the improved conditions.

It might appear to the casual observer that all this had been brought about simply by raising the price through concentrated control over selling, but the management knows better than that. The fundamental factor in the improved conditions has been the increased consumption. Before the association began operations raisins were a drag on the market, with a heavy carry-over from year to year depressing the price, but a demand was developed which cleared up the crop year after year at advancing prices.

Porbably the raisin-growers took a leaf from the experience of other fruit-growers on the Pacific coast, who had learned to standardize their product, guarantee quality, and market it in an attractive manner. At any rate, they offered raisins in appetizing array, and then they launched upon an advertising campaign which has involved a steadily increasing expenditure, until for 1923 the appropriation is said to be $1,200,000. The advance in price has been an incident to the increased demand and would not have been possible without it.

Have No Monopoly

The raisin-producers within the Sun-Maid Association, however, have no monopoly. It is favorable to the formation of such an association that the bulk of the raisin grapes are grown within a comparatively small territory at home and abroad, as in the case of farm staples, but it is not difficult to increase the production of raisin-grapes in California, as appears from the above figures. As the price goes up, naturally the acreage in grapes has been expanding, and Mr. Seymour is responsible for the statement that the plantings to date indicate that within five years the production of raisins will be above 400,000 tons per year. The price is behind the production, but behind the price must be consumption. The raisin crop each year must disappear in consumption to make way for the next. Price-fixing that would merely provide for buying and storing the crop would accomplish nothing.

That the raisin-growers appreciate this is to be seen by the price declines of the last two years. The price must be adjusted to clear the market. Nothing but the success of the management in creating a larger demand has sustained the price at the present level in the face of the increased production, and it is evident that in the long run the price of raisins will be fixed by the same old law of supply and demand so often pronounced out-of-date and ineffective. The profits which are earned by superior organization and service will be retained, those which result from mere control over price-fixing will not in the long run be excessive. So long as the returns for producing raisin-grapes are attractive, as compared with the returns upon other crops, production will continue to increase.

A reorganization of the raisin-growers' association is now being made to enable it to cope more effectively with the increasing volume of production. The growers find it necessary to pay in an increased capital, in order to create the margin of borrowing power necessary to good credit. Moreover, it is deemed prudent to abandon the practice of contracting to pay the growers a fixed price.

FORESTRY REVENUES FOR TREE PLANTING?

Opinions of Some Canadian Leaders on Problem of Re-Forestation

From Our Own Correspondent.

MONTREAL.—Some thought has been given by Canadian provinces to the subject of the re-planting of the forests. It is an expensive proposition. It costs $20 an acre to plant a forest and at the end of sixty years, when merchantable timber has been grown from the seedlings, the cost per acre, with compound interest added, has mounted into a large total. That is why it is so hard to arouse public interest in re-forestation work.

An important question comes up as to whether the costs of such work by the provinces can rightly be charged to current revenue—revenue from stumpage fees, etc., or if it should be charged as a capital investment. The Canadian Forestry Magazine, edited by Robson Black, publishes opinions from a number of well-known Canadians on the subject. Sir Clifford Sifton expresses the opinion that every province should plant two trees for each one cut down and should bear the cost out of forest revenue. Sir Edmund Walker suggests the planting of several trees for each one cut down. Such work should be considered a duty for those who cut down or otherwise destroy our forests, to perform unless for any reason the state undertakes to do so. Professor J. H. White, of Toronto, suggests that charging re-planting against forest revenues is entirely logical, but does not consider the matter of most importance. Planting on an extensive scale is physically and financially beyond the powers of most governments. Moreover, lack of plantations is not a disturbing thought at all, but is a minor matter alongside the possibilities of improvement in our ways of dealing with the forest growth we already have.

Ellwood Wilson, of the Laurentide Company, also agrees that there is no objection to provincial governments planting timber out of current revenues.

SEED LEGISLATION CHANGED IN ALBERTA

Municipalities Only Source From Which Grain Can Now be Secured

From Our Own Correspondent.

EDMONTON.—Only a small proportion of the sixty-eight bills passed by the Alberta Legislature in the session just closed had to do with matters financial. The general plan and operation of the Debt Adjustment Act, replacing the Southern Alberta Drouth Relief Act, have already been outlined in THE FINANCIAL POST. The act went through entirely on the basis introduced by Attorney-General Brownlee and will become operative on the first day of June.

Along with this new system of dealing with the financial difficulties of the Alberta farmer—though the act will apply to any class of debtors insofar as voluntary mediation is concerned between debtor and creditor—there goes also a new policy in respect to the advance of seed grain supplies by the government. This service has been entirely cut out, and no more assistance of the kind is being given through government channels. Municipalities are the only source from which seed grain will now be available, and naturally it will be only the most urgent cases that will be eligible for relief, since the municipalities must now do their own financing, without government guarantee.

An important change has been made in the crops payment act, which, as passed a year ago, provided that in any lease, agreement for sale, or mortgage of land in which it was a condition that a part payment of the rent or purchase price was to be met from a share of the crops, such share was to be considered the property of the lessor, vendor, or mortgagee from the moment the crops were sown until actually delivered. It is now provided that this share shall not be more than one-third of the crop and may be taken only, on mortgage account by first mortgage.

Farm Wages Declined in the United States

According to Commerce Monthly, the magazine of the National Bank of Commerce in New York, the rate of farm wages in the United States declined during the three months from October 1, 1922, to January 1, 1923, at a rate varying according to the method of hiring. For work by the month without board the decline was 3.1 per cent. and with board 4 per cent., while day wages without board declined 5.8 per cent. and with board 6.4 per cent. The rate of decline was highest in the great grain states west of the Mississippi River, ranging from 9.1 per cent. to 13.9 per cent., and smallest in the South Central and North Atlantic States. Indeed, in the South Central States wages by the month without board actually showed a slight increase during the three-month period, amounting to .2 per cent.

CANADA'S FOREIGN TRADE $193 PER CAPITA FOR YEAR

First Favorable Balance of Trade for Three Years Shown by Figures

INCREASE IN YEAR

Total Trade Up by About $250,000,000 and Per Capita Foreign Trade Increased by About $27

From Our Own Correspondent.

MONTREAL.—Canada's foreign trade in the fiscal year ended March 31 was larger than in the previous year but was in dollars and cents much below the average since 1916. In physical volume of goods the merchandise imported and exported probably exceeded the totals for most of the intervening years. The favorable trade balance was the first since 1920.

Here is the record of Canadian trade balances during the past ten years:

	Exc. of imp. over exp.	Exc. of exp. over imp.
1914	$187,605,559	$
1915	46,537,072	
1916		233,409,504
1917		304,924,890
1918		576,495,210
1919		296,732,101
1920		174,963,975
1921	29,730,763	
1922	7,522,304	
1923		129,772,400

Previous Estimates Right

Canadian foreign trade in March ran true to form. It brought the aggregate foreign trade of Canada to $1,734,686,496, as compared with THE FINANCIAL POST'S estimate some weeks ago of $1,750,000,000. The favorable balance of trade, $129,772,400 compares with THE POST'S previous estimate of $130,000,000.

The March figures and the figures for the full twelve months for three years back have compared as follows:

	March.'23	March.'22	March.'21
	$	$	$
Exports	77,335,599	59,539,313	68,092,428
Imports	91,873,427	79,337,378	92,566,829
Balance	†14,537,828	†19,798,065	†24,474,401

†Adverse

	— Twelve March.'23	Months March.'22	Ending — March.'21
	$	$	$
Exp.	932,299,443	740,240,680	1,189,163,701
Imp.	802,457,043	747,762,984	1,240,125,056
Bal.	*129,772,400	†7,522,304	†50,961,355

†Adverse *Favorable

Per Capita Trade $192.75

Estimating Canada's population as 9,000,000, the per capita total foreign trade was $192.75 for the year, as compared with $165.33 per capita in 1922. For a number of years back the figures compare:

	Per Capita Exports	Imports	Total
1914	$55.87	$80.15	$136.02
1915	51.64	57.51	109.15
1916	91.11	62.43	153.54
1917	137.71	101.24	238.95
1918	179.22	112.22	291.35
1919	137.68	104.10	241.78
1920	137.81	118.36	256.17
1921	131.09	134.32	265.41
1922	82.25	83.08	165.33
1928	103.58	89.17	192.75

Exporting Natural Products

March trade showed an excellent increase in exports of the products of the mines and forest, both natural resources that are now beginning to show their real value to Canada. Imports were up in nearly every line; especially in those representing basic industries. March, 1923, compared with March, 1922, as follows:

Exports

	1923	1922
Agri. prod.	$22,664,938	$21,210,951
Animals, etc.	8,919,439	9,333,558
Textile, etc.	904,796	447,268
Chemicals, etc.	1,820,771	1,182,245
Iron and steel	7,105,765	3,565,912
Other ores	6,372,567	3,090,044
Non-metals	3,636,711	2,007,028
Forest, etc.	24,695,813	17,531,802
Miscellaneous	1,214,799	1,170,487
Totals	$77,335,599	$59,539,313

Imports

	1923	1922
Agri. prod.	$18,216,509	$16,169,748
Animals, etc.	5,712,406	5,402,938
Textile, etc.	20,462,144	18,704,962
Chemicals, etc.	2,909,325	2,807,268
Iron and steel	16,834,382	12,270,369
Other ores	4,143,958	3,335,840
Forest, etc	3,780,276	3,615,656
Miscellaneous	4,103,465	4,291,117
Totals	$91,873,427	$79,337,378

U.S. Railroads Favor Lakes-to-Ocean Plan

Seven of the largest railway systems forming arteries of transportation throughout the upper Mississipi Valley and the Northwest, through their presidents or other executives to-day aligned themselves in favor of the Great Lakes-St. Lawrence seaway project as one of the best means of improving the national transportation situation.

The opening of the Great Lakes-to-ocean shipping, railroad officials pointed out, will give numerous Western systems, serving an immense territory westward, direct ocean terminals and will be a big step in accelerating freight movements to Europe and the East, as well as clearing the way for necessary shipping to the eastern half of the United States.

AUTOMOBILE PRODUCTION

Automobile production in the United States increased in March and was the highest on record, exceeding by 64,006 cars and trucks the high-production of last June. Output of passenger cars increased from 254,650 in February, to 318,424 in March, and truck production increased from 21,815 in February to 34,593.

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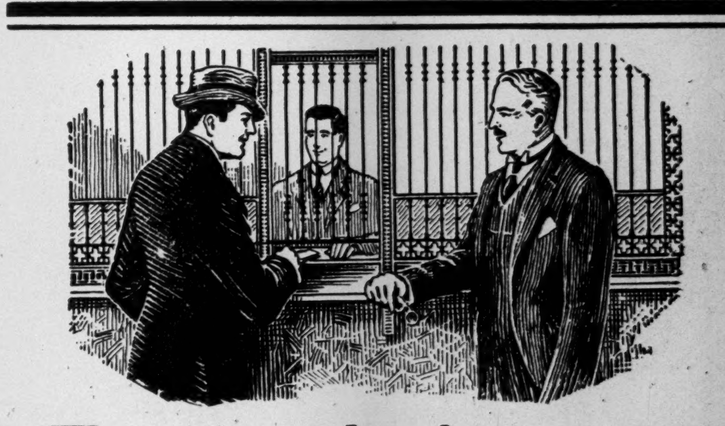

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Osler, Hammond & Nanton
WINNIPEG

BROKER ADVISES CLIENTS TO QUIT NEW YORK LISTS

Says There is Better Chance in Canadian Trading

MARKET NERVOUS

New York Firm Gives Interesting Arguments Advanced by the Bulls and the Bears

The market is nervous; the Bears are busy in New York, with the result that Canadian market activity is spotty and most irregular, thus reflecting the trend of the bigger market. Brokers find it difficult to settle down to a solid opinion on the future outlook. Some say that a break is near, some say it is already under way. Others say that the list will go higher before it goes lower. All have their pet idea but all seem agreed on that the time for blind picking is past and those who do enter the list should do so cautiously.

Tractions have been the most active group and several of these issues suffered fractional declines. The papers have been more or less neglected. Increases have been confined to a few special issues which were the subject of favorable rumors. Tucketts and Canadian General Electric were the two outstanding issues. The bank stocks seem to have come in for a little more attention than of late, evidently due to the irregularity of the general list. Milling, industrials and specialties have kept to the general trend of the market.

The mining market has moved with the big market. This is not generally the case. When the larger market is weak, attention is generally focused on the mining list and generally means active sessions. There has been good trading on the mining list but on the whole the tendency of the list has been to softness while some of the leading golds have made fair declines.

Some interesting views are obtained in market letters sent out by brokers. Edward Cronyn gives some excellent advice to his clients this week by suggesting that they should abandon the New York market and come into the Canadian list, mentioning both the general and mining. His reasoning in this regard is in keeping with views expressed by others.

Here is what Mr. Cronyn says:

> Canadian securities, while they have made a good advance, have not risen at all in proportion to a majority of securities on the New York Stock Exchange. Market activity in New York will undoubtedly increase within the next few weeks, and many stocks will see higher prices, but investments in the New York market cannot be made with the confidence that was justified about a year ago.

Spencer Trusk & Co., New York, give the bull and the bear sides of the New York situation, which will show some interesting light on the situation. They state:

> The fact that the stock market has shown only small variations in the averages this month should not be taken as a sign of aimless drifting. On the contrary, it is our judgment that these relatively narrow swings are to be attributed to the play of two opposing forces, each one sufficiently powerful to check the other. Only as one of the forces has been caught off guard or has temporarily relaxed its vigilance has the other been able to make any temporary impression. The belief has been growing of recent weeks that the crest of the bull market has been reached and that the next movement is therefore to be downwards. On the other hand, it is held in important quarters that all we are now witnessing is one of those temporary reactions which occur in every rising market.
>
> Both sides are able to present sound arguments. Those who believe the crest has been reached point to the enormous volume of production, the increasing cost of raw materials, innumerable wage increases, tighter money, heavy traffic and the enlarging transportation facilities which usually presage that the top rung in the cycle of prosperity has been reached. They further point to the recent statement of the Department of Commerce in which figures are given showing that in March building construction, cotton consumption, automobile shipments, zinc, pig iron and steel ingot production had all established high records Beyond this they see ominous signs gathering of a hostile attitude on the part of the next Congress towards railroad rates. And over and above all hangs the fear of another drastic deflation in the price of commodities and of a recurrence of the hardships arising out of frozen credits as occurred so recently as in 1920 and 1921.
>
> These and other arguments are used to prove that there is nothing left to "go for" in the stock market. Those who hold contrary opinions point to the fact that brokers loans are some $200,000,000 below the February peak; that credit conditions continue favorable; that the banking situation is comfortable and that in case of need the banks could fall back on their reserves in investments. They also point to the fact that all the great activity which has been witnessed of recent months simply represents, after all, the gradual filling up of the vacuum created by the years of war, and in support of this they point to the entire absence of any accumulation of goods, to the ease with which all commodities are marketed, and to the many and varied steps that have been taken and are being taken to prevent a runaway market which might otherwise bring the present era of prosperity to an untimely end.
>
> As between these two opposing forces we are inclined to take a middle course, believing that while we are probably in the last stages of a bull market, and that it is therefore no longer safe to buy any and all stocks indiscriminately, certain stocks may still be purchased with a fair chance of future appreciation.

Double Power Output of Western Quebec Co.

From Our Own Correspondent.

MONTREAL.—Plans are maturing for the extension of the power developing and distributing systems of the Western Quebec Power Company. The present capacity of under 3,000 h.p. is likely to be increased to around 6,000 h.p. before the end of the summer and new transmission lines serving a large area in Quebec in the Two Mountains country will be built. Some of these lines are being constructed with municipal aid. Contracts may also be arranged to supply power as far north as Hawkesbury, Ontario.

The new works of the company, if carried through to completion, will require additional capital. A bond issue of close to $1,000,000 is being discussed. The possibility of redemption of outstanding bonds has been the chief stimulus behind recent market movements and in trading among the unlisted brokers these bonds have risen from around 76½ to well over 90.

Packing Merger Brings Changes at Gunn's Ltd.

As a result of the Morris-Armour packing merger in the United States, Armour's has now an interest in Gunn's Limited. Morris Company owned considerable stock in Gunn's and this was taken over in the merger.

Following the completion of the merger some changes were made in the Gunn's organization. Douglas W. Gunn is now vice-president and managing director, while board changes resulted in the following body being elected: Brigadier-General John A. Gunn, Douglas W. Gunn, Andrew Gunn, John Taylor, N. L. C. Mather, Russell D. Bell, Harold A. Green, Frank Waddell, vice-president of Armour and Co., E. S. Waterbury, Mr. M. M. Scribner, secretary-treasurer.

MERGERS IN PAPER FIELD DISCUSSED

St. Maurice Valley Mills in East and Abitibi and Spanish River in West

MONTREAL. — Talk of a merger of the paper companies in the St. Maurice valley is again current and was responsible for a stronger tone in St. Maurice stock. The actual change of control to Canadian interests of the Belgo Paper Company has made the merger seem easier of negotiation.

Apart from reductions in management expenses, savings in purchases and such customary economies that a merger would bring about the big feature in this case is the fact that a great deal of expense and effort is involved in the sorting of logs on the St. Maurice river and its tributaries for the different mills involved. Many thousands of dollars a year would be saved on this feature by having Wayagamack, Belgo, St. Maurice and Laurentide in one company. Woods operations could also be carried on to better advantage.

No definite position has yet been reached in negotiations but discussions have taken place that give soundness to the possibility of such a merger.

While these four companies are mentioned for the eastern merger there looms up again the possibility of Abitibi and Spanish River in Northern Ontario joining forces for similar savings.

WINNIPEG ELECTRIC

The March earnings statement of the Winnipeg Electric Railway Company shows gross amounting to $489,241 as compared with $472,509 for the same month in 1922, an increase of $16,732. Operating expenses and taxes were higher by $7,296. and net divisible income amounting to $67,516 showed an increase of $2,099. Gross for the three months ending March 31, amounting to $1,465,540 compared with $1,455,787, an increase of $9,753, while net divisible income at $198,523, showed a decrease of $19,096

News and Views for Investors

KEORA

Henry Hanson, E.M., has taken charge of the diamond drilling operations on Porcupine-Keora and will rush the work. Following the completion of the contract underground work will be taken up.

FORD MOTOR

Ford Motors of Canada is operating at capacity the production for the first quarter of the year being 21,000 cars or 7,880 more than the previous record and 8,000 above the 1922 record of the company.

BARCELONA TRACTION

Drought has interfered with the earnings of Barcelona Traction. March earnings were just slightly better than the previous two months. March gross was much higher than 1922 but operation costs were also 500,000 pesetas higher.

NATIONAL STEEL CAR

National Steel Car, Hamilton, is going full force on rolling stock, new and repair orders for the Canadian National Railways. The company's sidings are full of old box cars under repair. The company is also building new box cars, and refrigerators as well. The present orders will keep the company going for months.

DULUTH-SUPERIOR

The report of revenues and expenses of the Duluth-Superior Traction Company for the first three months of 1923 show gross amounting to $490,052 as compared with $436,328 for the same period in 1922, an increase of $53,724. Operating expenses at $394,780 were higher by $20,895, while net revenue amounting to $95,271, showed an increase of $32,829 or 52.57 per cent.

INCREASE BAY SULPHITE CAPITAL

The Bay Sulphite Company has announced an increase of capital from $3,500,000 to $8,000,000 by the creation of 45.000 additional common shares of $100 each. According to official notice by the company, the number of directors is increased to nine in accordance with a by-law adopted on March 10, by the board and sanctioned by shareholders on April 16.

VIPOND CONSOLIDATED

The mill on the Vipond is to be gone over with the prospect that milling may be resumed at an early date. Excellent developments on the 400-ft. level bring about the prospect of milling operations. The mill is of 75-ton capacity and has not been operated since before the war. Plans are also under consideration for doubling the capacity of the mill but this will depend on results achieved at the lower levels.

N. S. TRAMWAYS PROFITS DOWN

Although gross earnings of the Nova Scotia Tramways & Power Company in the fiscal year 1922 were somewhat lower than gross returns for 1921, operating expenses showed a more proportionate reduction, with the result that net balance is considerably higher. Gross at $1.419,471, compared with $1,466,639 in 1921, and operating expenses at $987,676 against $1,145,143. After taxes, net earnings totalled $320,686, as compared with $181,639, and after interest and other items, the balance for reserves, replacements and dividends, amounted to $113,037, as against a deficit for the previous year of $23.143.

CANADIAN GENERAL ELECTRIC

Though there has been a slight easing from the high in the price of Canadian General Electric, interest in the issue was heavy during the week, over 6,000 shares changing hands with the price around $100. Brokers have been credited with the statement that the American General Electric had taken up several of the large blocks of stock. Now the latest gossip is that, having control, the U. S. interests will proceed to organize a new company to buy out the present shareholders at par, some say higher. In this connection it should be pointed out that most of the stock held in the U. S. was bought away below par.

FAMOUS PLAYERS

The first preferred of Famous Players Corp. is to be listed in the near future on both the Toronto and Montreal Exchanges. This company, which operates a chain of theatres in Canada is capitalized at $6,500,000 8 per cent. first preference, and $1,000,000 8 per cent. second preference, and $7,500,000 common stock. The entire issue of second preference and common are outstanding, while $4,000,000 of the first preference only is in the hands of shareholders. Dividends have been paid regularly on the first preferred since its flotation early in 1920. This security is now selling in the unlisted market at around 80, while the common is quoted between 6 and 8.

ATLANTIC SUGAR

At the annual meeting of Atlantic Sugar Refineries, the chairman of the board, D. Lorne McGibbon, reported that arrangements for the funding of the deferred indebtedness of the company amounting to $3,724,000, and for providing extra working capital were proceeding satisfactorily, with all interests co-operating.

The president, Wilfred A. Hobbins, told the shareholders:

"The company's position has been improved to the extent of about $470,000, despite heavy interest charges of almost a like amount.

"Operations were carried on for 287 days during the year. The amount of raw sugar melted was the largest in the history of the company.

"The company continues to enjoy its share of domestic and export business. Over fifty per cent. of the refined sugar exported from Canada was the output of our refinery.

"The business of the company during the first three months of the year has been gratifying both as regards domestic and export, and the prospects for the balance of the year are encouraging."

CANADIAN LOCOMOTIVES

Capacity operations right up to autumn are assured Canadian Locomotive Co., orders for the year to date totalling $2,800,000. Recently additional orders for $400,000 were received from the Canadian National Railways. The stock opened the year with 85 and is now selling around 97. Prior to the spurt in business since the first of the year the company had a long run of bad business. Since the turn of the year both the Canadian Pacific Railway and the Canadian National Railways have been largely in the market for extra motive power. The shortage on lines in the Dominion in this respect was such that the purchase of new locomotives was absolutely imperative if the traffic offering was to be handled. The company in its last fiscal year had practically no business on its books whatever, its operations being confined to the execution of a few repair orders. That being the case, it was not surprising that, in September, the directors should have decided to reduce the dividend on the common stock from eight to four per cent. This action was taken in order that the management might have sufficient funds on hand to look after business which was then in prospect, and which has now materialized. The preferred dividend has been been paid ever since 1912 at the rate of seven per cent. per annum. The Canadian Locomotive Co. despite the temporary drawbacks has been in a strong position for a considerable time. During the eleven years 1912 to 1922, net profits available for dividends was $3,958,696 or at an annual average of $395,870, making an amount of 15.29 000,000 common stock, after the pay- per cent. earned each year on the $2,- ment of the regular preferred dividends.

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- —on practically a cash basis.
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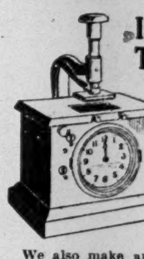

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C.P.R. NOTE CERTIFICATES

C.P.R. will retire, at par and interest, on July 10, $52,000,000 6% Note Certificates, due March 2, 1924.

Current price is approximately 100 1/8, plus accrued interest. American payment.

Advisability of selling on open market prior to redemption, depends upon relative quotation on New York funds, as of to-day and July 10. New York funds normally begin to move towards parity about end of July. Current quotation approximates 2% premium.

We should be glad to facilitate the sale of these Certificates, for those who do not desire to hold until retirement.

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CANADIAN NATIONAL

The gross earnings of the Canadian National Railways for the week ended April 21, 1923, were $4,804,614, being an increase of $1,539,147, as compared with the corresponding week of 1922. The gross earnings from January 1 to April 21, 1923, have been $67,013,935, an increase of $7,813,988, as compared with the corresponding period of 1922.

EXCHANGE IN FREIGHT

The rate of exchange on shipments of freight between Canada and the United States from May 1 to May 14 inclusive, will be 1 31-32 per cent., and the surcharge will be 1 per cent. The surcharge on international passenger business will be based on 2 per cent.

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NATIONAL GROWTH WILL COME FROM PRIVATE EFFORT

Protection Must be Given to Capital in Canada, Says Beatty

From Our Own Correspondent.

MONTREAL.—Behind the sound definition of the rights of private capital in Canada, made by President E. W. Beatty, at the C. P. R. annual meeting of the company this week, there is more than a plea for fair treatment of the C. P. R. Mr. Beatty's statement contains the essence of a national policy for the treatment of outside capital invited to aid in Canada's development. Mr. Beatty linked his remarks with the C. N. R., and as president of Canada's largest tax-payer, asked for absolute freedom from political interference for Sir Henry Thornton and his able assistants in the task of administering the National lines. He said: "If political considerations prevail and a free hand is not given to these administering officers, there can be but one result, namely, the increasing of the financial burdens of the country, which are already onerous enough to give ground for apprehension."

Protection for Private Rights

But Mr. Beatty went further and remarked:

"Fundamentally, private property and private enterprise constitute in no less degree than public property and public enterprise, the wealth and business of the nation. Their interest is no less a national interest and entitled in all respects to the same measure of protection and favor at the hands of the Government. It makes little or no difference that the private enterprise may be in part or even entirely the property of British or foreign investors. Canada must for a long time depend upon foreign capital and must continue to afford it the same privileges as domestic capital. I do not mean to suggest that private enterprises which have been over-ambitious in their conception have not failed, because they have, but in the main the prosperity and progress of the country has been contributed to by individual initiative and enterprise to a greater extent than in any other way. It must, of necessity, follow that if the country is to depend on its commercial and industrial development, reliance must be placed upon individual and corporate enterprises. This in turn involves the support of British and foreign capital, a support which I would consider might conceivably be slow in forthcoming were it thought that political or Government influence were such that the integrity of capital investment were jeopardized."

The reference to the "slowness which has marked this country's grappling with the problem of immigration generally, a slowness which has been in marked contrast to the energetic and forward policies of other portions of the Empire," was in the nature of a challenge to the Canadian Government. True, Mr. Beatty told of some of the steps that have been taken looking towards an increased inflow of people and he stated that "some progress has been made and the conditions to-day are more satisfactory and more hopeful than at any time during the past four years." Business men will feel that this qualification only emphasizes the possibilities that would be ahead if determined immigration policies, unrestricted by the pseudo-political shortsightedness of certain labour leaders, were adopted.

The meeting elected F. W. Molson, president of the Molson's Bank and director of many important corporations, as a director to succeed the late R. B. Angus. It was emphasized in the president's remarks that the retirement of the $52,000,000 of notes in July would require no new financing and would be carried out without dislocation of the company's finances. A reference to the adverse conditions created by the imposition of the Crow's Nest scale of rates was also made.

U.S. TOBACCO CORP. CONTROLS TUCKETT'S

Merge Subsidiary With Hamilton Concern and Will Retain the Same Name

The holdings of the Tobacco Products Corp. in Canada have been acquired by the Tucketts Tobacco Co., and The Tobacco Products Corp. of New York has in turn secured a substantial interest in the Tucketts concern. A New York report is that this interest amounts to control. Pres. H. S. Ambrose, of the Tuckett Co, states that owing to the strong financial position of his company, no issue of additional capital stock will be necessary to complete their purchase of the Canadian assets of the Tobacco Products Corp. There has been considerable activity in Tucketts' stock of late, due to the pending deal.

The Standard Statistical card service on Canadian stock places the equities behind the common stock as of March 31, 1922, at $125.23 per share. This amount represents the net assets applicable to the common stock, not excluding goodwill, etc., included in property account, and not separately reported. The aggregate net profits available for dividends for the ten years, 1913-22, amounted to $2,245,865, or an annual average of $224,586.

The high price for the stock reached to-day at 60 was only once exceeded, in October, 1919, when it touched 61. The low level of the present year to date was 52, and last year 33, with a high of 59 in 1922. The range of the preferred last year was 98 to 98⅞, and this year, 89 to 96½.

NEW TISSUE MILL IN OTTAWA VALLEY

From Our Own Correspondent.

MONTREAL.—A new tissue paper mill is to be established in the Ottawa Valley. The mill will be known as the Western Quebec Paper Mills, Limited, and will be located at St. Andrew's, P. Q. The president of the company is R. W. Barclay, president of the Western Quebec Power Company. The plant will have a capacity of 1,800 tons a year and contracts have been signed for the larger part of the output.

To finance the construction of the mill, it is understood that Shaer, Morton and Company will next week offer $225,000 of 6½ per cent. first mortgage bonds due in twenty-five years, with interest and principal payable in Canada or New York. The issue is authorized at $1,000,000 and the balance of the bonds can only be issued up to 66 2-3 per cent. of the amount spent on extensions.

An unique feature of the bonds is that the return of principal is guaranteed by the Travelers Life Insurance Company of Canada.

CANADIAN COTTONS

Further despatches from the flooded districts in New Brunswick state that the St. Croix River still continues on its rampage, Milltown suffering the most. The water is still running through the new weave shed of Canadian Cottons, Limited, mill at Milltown, and damage there is estimated at more than $200,000, and it is stated that it will probably be two months or more before the mill will be running again.

LITTLE FOR STOCK IN RIORDON CHANGES

But Most of the Shareholders Had Given Up Hope of Any Substantial Return

From Our Own Correspondent.

MONTREAL.—General opinion is that the prospects of putting the Riordon Company back into strong operating position are very good, but there will be little in the reorganization for the former preferred and common shareholders of both companies. Most of these have given up hope of getting any substantial benefit out of the reorganization and it is difficult to explain the recent flurry of strength in the Riordon stocks. The rights to subscribe for new stock in the new company that are likely to be given will have a value that is yet to be determined.

It is stated that the 6 per cent. bondholders will be well protected but that the holders of the 8 per cent. bonds of the Riordon Company will get something in the nature of a second preferred stock. Ranking ahead of this, it is said, will be about $10,000,000 of first preferred stock which it is planned will be offered to present stockholders for subscription, although the public as a general public also may be invited to come in.

The company has sold a number of its timber limits, chiefly outlying hardwood properties that were not of particular value to a pulp and paper company and this has added considerably to the liquid resources of the company, all facilitating the progress of reorganization.

STOCK MOVEMENTS OF THE WEEK

Week Ending May 1

Banks—	Div. Rate	Ask	Bid	High	Low	Close	Sales
Commerce	12	199	198	199	197½	199	205
Dominion	12	197	195	197	196	197	57
Hamilton	12	170½	170	171½	169½	170½	57
Hochelaga	10	149½	148½	150	150	150	25
Imperial	12	185	183	185	185	185	21
Molsons	12	—	175	176½	175	176½	45
Montreal	12	—	243	248	245	245⅛	526
Nova Scotia	16	264	—	263	260½	263	57
Royal	12	—	219	220	218	219	315
Standard	14	—	209	209⅝	209	209	50
Toronto	12	—	190	191	190	191	21
Union	10	136½	136	136⅜	136	136	171
Industrials, Utilities, etc.—							
Abitibi Pulp & Paper, com.	4	67	66½	69¼	66¾	66¾	1220
Do., pref.	7	100	—	100	100	100	230
American Salesbook, pref.	7	—	91	92	91½	91½	25
Asbestos Corporation, com.	6	64¼	64	67	63¼	63¼	1536
Do., pref.	7	87¼	87	89½	86	86	595
Atlantic Sugar, com.	—	23½	22	24	23	23	90
Do., pref.	—	45	42	44	42	43	35
Barcelona Traction	—	19½	19¼	19½	18	19¼	2437
Bell Telephone	8	121½	121	121¼	121	121½	794
Bird & Son, pref.	7	95	94	95	95	95	18
Brazilian Traction, com.	4	50	49½	52	49¼	49⅝	6901
British Empire Steel, com.	—	—	7¾	8¼	7¾	8	1079
Do., 1st pref.	7	68½	67½	68¼	67¼	67½	431
Do., 2nd pref.	—	22	21	22½	22	22	1305
Brompton Pulp, com.	—	—	40	42¼	40⅛	40⅝	1440
Burt, F. N., com.	10	137	133	136	136	136	10
Canada Bread, pref.	7	95	94½	95	94¾	94¾	133
Can. Car & Foundry, pref.	—	75½	74½	76	74	75½	405
Canada Cement, com.	6	85	84	85¾	84⅛	84¼	1236
Do., pref.	7	—	102	105	102¾	102¾	111
Canada Steamships, com.	—	18¼	17⅛	17¾	17½	17½	130
Do., pref.	—	52	51½	52	51½	51½	442
Canadian Converters	7	100	98	99	99	99	90
Canadian Cottons, com.	8	124½	124	129	119½	122¼	635
Do., pref.	6	—	90	90½	90	90	42
Can. General Electric, com.	6	100¼	100	103¾	99	100¼	6354
Do., pref.	7	—	105	106	106	106	5
Can. Locomotive, com.	4	74	—	74	73	74	35
Do., pref.	7	98	95½	98	97	97½	185
Canadian Pacific Railway	10	154¼	153¼	159	153	153	321
Can. Woollens, pref.	—	58	—	60	58	58	28
Carriage Factories, com.	—	—	3	3	3	3	110
City Dairy, com.	10	141	138	141	140	140	40
Do., pref.	7	104	102	104½	104	104½	51
Consumers Gas	10	—	158	158¾	158	158¼	664
Crow's Nest Pass	6	48	—	47½	47½	47½	15
Detroit United Railway	6	78	77¾	79	76	76	1269
Dominion Bridge	4	75	—	77	75	75	130
Dominion Canners, com.	—	36	33	36	33	33	126
Do., pref.	7	87	86	87	86¾	86¾	28
Dominion Glass, com.	7	100	—	100½	99	99	465
Dominion Coal, pref.	7	85	—	85	85	85	5
Dominion Iron, pref.	7	76½	76	76½	75	75	126
Dominion Steel Corp., pref.	6	78½	75	78⅞	77	77	55
Dom. Textile, com. (New)	4	68½	68⅜	70	66½	66½	1286
Duluth Superior	—	38	37	38	37	37	95
Goodwins, pref.	7	—	67	67	67	67	25
Goodyear Tire, pref.	7	94	93	93½	93	93½	150
Illinois Traction, com.	—	54	53¼	57	52	53	327
Do., pref.	6	87½	87	89	85	86½	423
Intercolonial Coal, pref.	7	—	80	80	80	80	1
Kaministiquia Power	8	115½	—	115½	115½	115½	5
Lake of Woods Milling, com.	12	—	176	176	176	176	150
Laurentide Paper	6	93⅛	93	94½	91¾	91¾	926
Lyall Construction	—	41	40	41	41	41	45
MacDonald, A., com.	—	12	8	8¼	8	8	85
Mackay, com.	7	115½	115	115⅞	115	115	75
Do., pref.	4	70	68	69	68	68	74
Maple Leaf Milling, pref.	7	101	100	101½	100½	100½	78
Mexican Light, com.	—	—	17	17	17	17	25
Monarch Knitting, com.	—	—	40	40	40	40	2
Montreal Cotton, com.	6	116	112	114	112	112	45
Do., pref.	7	109	—	109	109	109	10
Montreal Light, Heat, Cons.	6	116⅞	116¾	117¾	116	116	1712
Montreal Trams	10	147	—	147	147	147	5
National Breweries, com.	4	52⅛	51½	53	51¼	51¼	960
Do., pref.	7	95	92	95	94½	95	100
Ogilvie Flour, com.	12	—	320	321	320	320	95
Ontario Steel Products, com.	—	46½	46⅜	46½	45	46½	35
Do., pref.	7	90	—	90	88	90	25
Ottawa L. H. & Power	6	86½	86	86½	86	86	50
Pacific Burt, com.	6	—	100	100	100	100	5
Do., pref.	7	107	104	107	106¾	107	45
Penmans, com.	8	160	156	162½	158	158	700
Port Hope Sanitary, com.	—	52	50	51	47	51	230
Do., pref.	7	90¼	—	90	89¾	90	37
Porto Rico Railways, com.	—	25	—	25	25	25	5
Do., pref.	7	81	75	80	80	80	25
Price Brothers	2	45¼	45	46	45	45¼	892
Provincial Paper, com.	6	92	—	91¾	91½	91½	30
Do., pref.	7	—	96½	89½	89½	89½	10
Quebec Railway	—	21¾	21¼	22	21½	21½	650
Riordon Pulp, com.	—	5	4	4½	4⅜	4⅜	675
Do., pref.	—	11	9	9⅞	9⅞	9⅞	530
Shawinigan Water & Power	7	116¾	116⅝	116½	116	116¼	457
Sherwin Williams, com.	6	113	100	123	114	114	484
Do., pref.	7	101	—	101	100	100	10
Shredded Wheat, com.	8	—	148	150	150	150	5
Spanish River Pulp, com.	7	94	92	95¼	92¼	92¼	736
Do., pref.	7	103	100	104	101	101	752
Smith, Howard, Paper, com.	6	80	—	80	80	80	10
Do., pref.	8	104¾	104	105	104¾	104¾	20
Steel of Canada, com.	7	77	76	79	75½	76½	2270
Do., pref.	7	101	100	101	100	100¼	40
St. Maurice Paper	5	—	104¼	108	104	104	3276
Toronto Railway	—	86	84½	87½	84	84	1551
Tuckett Tobacco, com.	4	60	58	60	56	60	1785
Twin City, com.	—	66½	66	67¼	65¾	66	339
Do., pref.	7	100	—	100	100	100	10
Wabasso Cotton	4	—	80	80	80	80	5
Wayagamack	—	58	—	58¼	58	58¼	145
Western Canada Flour	8	110	105	106	106	106	5
Winnipeg Electric, com.	—	37	36	36⅝	36	36	283
Do., pref.	7	86	—	86	85	85½	139
Woods Mfg., com.	8	75½	—	75½	75½	75½	50
Do., pref.	7	82	—	80	80	80	5
Cuban Can. Sugar, com.	—	10¼	8	10½	9¾	9¾	170
Do., pref.	—	42¾	—	43¼	40	40	315
Can. Landed	10	—	79	81½	81	81	14
Can. Permanent	12	186½	—	186½	186	186½	23
Col. Investment	6	8¼	8	8	8	8	18
Hamilton Provident	10	—	147	145	145	145	10
Real Estate Loan	7	95	93	93	93	93	7

ON GUARD

Why a Lawyer Should Draw Your Will

There is nothing very formidable about drawing a will. But it needs experience, knowledge of the legal requirements, and exact use of language. Many people who attempt to draw their own wills fail in one or more of these respects. The wills they make, written throughout by themselves or with the doubtful aid of a printed form, are subject to dispute or delay in interpretation and in danger of being disallowed by the Court as not being wills at all. So these suffer to whom the will-maker intended the estate to pass.

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A will implies an executor. We act as executor.

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MYW

For May Funds

The plenitude of money and a comparative scarcity of good Bonds, indicates clearly that the present level of Bond prices is fixed, and may even advance.

For this reason we recommend the following list of Bonds to investors for the re-investment of May interest and dividends:

GOVERNMENT AND MUNICIPAL

	%	Due	Yield
Province of Quebec, 20-year Gold Bonds	5	1943	5.00
Province of Ontario	5½	1942	5.10
Province of Alberta	5	1943	5.20
Toronto Harbour Commission (Guaranteed by the City of Toronto)	4½	1953	5.10
City of Peterborough	4¾	1937	5.20
Town of Waterloo	5½	1925-1933	5.25
City of Verdun, P.Q., School Commission 40-year Coupon Bonds	5½	1963	5.30
Town of Rimouski, P.Q.	5½	1940-1950	5.40
City of Toronto	6	1951	5.20
City of Edmonton	5½	1953	5.60
City of Edmonton	6	1963	5.65

CORPORATION

	%	Due	Yield
Canadian Locomotive Company, Ltd., First Mortgage Gold Bonds	6	1951	5.94
Charles Walmsley & Company (Canada), Limited, First Mortgage 20-year Sinking Fund Bonds	6	1943	6.25
P. Burns & Company, Ltd., First Mortgage 20-year Gold Bonds	6½	1943	6.50
Drummond Investment Company, Ltd., First (Closed) Mortgage 15-year Sinking Fund Gold Bonds	6½	1938	6.00

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BARCELONA TRACTION

Gross earnings of the Barcelona Traction, Light & Power Company for the month of March show a slight decline when compared with returns for the several months preceding. Gross for the month amounting to 4,329,771 pesetas compared with 4,495,111 for February and 3,937,152 for March, 1922. Operating expenses at 1,945,991 pesetas were higher by 507,894. This increase in operating expenses is due to the fact that drought necessitated the operation of the steam plants during the first half of the month. Net earnings amounted to 2,383,780 pesetas, a decrease of 115,275 pesetas. The aggregate gross for the first three months of the year at 13,680,345, showed an increase of 2,251,037, and the aggregate net at 6,566,187 showed a decline of 796,219 pesetas.

DRYDEN PAPER

Extensions to the plant of the Dryden Paper Company at Dryden, Ont., are now said to have been completed, including a power development at Wainwright Falls. The capacity of the plant will now be 75 tons of sulphate pulp a day. Two-thirds of the production will go into wrapping paper and sulphate building paper.

THORNTON, DAVIDSON DIVIDEND

A third dividend of 5 per cent. on the estate of Thornton, Davidson & Co., has been announced by the trustee, W. G. Finlayson, making a total of 22½ per cent. already paid on the claims, which totalled $1,101,290. The third dividend is the smallest of the three, the first having been 10 per cent. and the second 7½ per cent.

Partnership and Corporation Insurance

A Great-West Life Insurance policy indemnifies a firm or corporation for the loss of capital influence, experience or skill, resulting from the death of a partner, officer or important employee.

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AN OUTLET FOR FUNDS

Treasurers of various organizations, executors, trustees and many private individuals have sums of money which can be safely and profitably invested, even though their use may be required in the near future. Canada Permanent Bonds have a flexibility which specially suits them to the investment of such moneys. They are issued in sums of $100 and upwards for any term of not less than one or more than five years. Interest is payable half-yearly, and both interest and principal will be made to become due on any dates desired. For terms of 3, 4 or 5 years they bear five and one-half per cent. per annum, and for 1 to 2 years, five per cent. per annum. No expense is attached to investing in these Bonds or to collecting the interest and principal.

Is it good business to keep any funds unemployed when they can be so profitably invested in such an absolutely safe security?

Canada Permanent Mortgage Corporation

14-18 Toronto Street, Toronto.

Paid-up Capital and Reserves $14,334,155.90
Investments $41,365,608.36

5½% Interest Return

INVEST YOUR SAVINGS

in a 5½ DEBENTURE of The Great West Permanent Loan Company

SECURITY

Paid-up Capital	$2,414,663.00
Reserves	1,100,000.00
Assets	6,184,420.00

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NIPISSING OPENED 2,000,000 OUNCE HIGH GRADE SHOOT

Over 5,000 Ounce Vein of Silver is Being Developed

PROGRESS IN NORTH

Associated Gold Fields Shareholders Prove Optimistic as to Future Outlook

Drifting below the contact on the Nipissing Mine has opened up vein 251 which shows a width of 3 to 4 inches, and which Hugh Parke, resident manager, estimates will yield a couple of million ounces of silver, even if it does not extend beyond the present development.

Mr. Park told the annual meeting that the drift had shown a continuous ore shoot 400 feet long with the ore averaging 5,700 ounces to the ton.

Pres. E. P. Earle pointed out that 1922 was an excellent one for the company. He gave the following interesting statistics:

Silver sold, ounces	3,400,000
Silver produced, ounces	3,423,000
Increase	266,000
Value shipments	$2,884,000
Increase 1922	500,000
Over reserves Dec. 31, ounces	2,615,000
Decrease ounces	389,000
Dividends 1922	1,080,000
Dividends to date	24,720,000

President Earle said the Nipissing property is not worked out by any means. About 80% of 1922 development was in virgin territory. There is a large acreage untouched.

Associated Goldfields

Shareholders of Associated Goldfields with but a few exceptions proved quite optimistic as to the outlook at the annual meeting. They cheered the report of the engineer on the development of the Costello and other claims, also the report that a mill may soon be necessary, but loudest of all did they cheer when Pres. McKay expressed the hope that the stock might soon sell at par. This hope carried well. It aided in having the pool extended and also carried victory to the side of those who opposed having the stock listed.

The report of T. A. Greaves was quite technical, dealing heavily with geological problems. He said that development to the 500-ft. level has been satisfactory, and of values continued to the 750-ft. level, the company would be warranted in considering the matter of a 400 or 500-ton mill. Values so far obtained varied: $6.35, $8.90 and as high as $50. Between $7 and $10 would be a fair average. Considerable drifting and cross cutting and shaft sinking, about 2,800 feet, were done during the year, and considerable work done on the power plant. Pres. MacKay told the shareholders he did not think the issued capital, $21,000,000, considering the company's holdings, any greater in proportion to that of the ordinary mining company of $2,000,000 capital. He and others suggested that the shareholders not part with their stock but stick to the ship.

Canadian Matachewan

It is announced that mining operations will start soon on the Matachewan Canadian Gold Mines. Only power is awaited. Drifting will be started from the main shaft and sinking on the second shaft continued. Lateral work will connect these two shafts and a main working shaft will be opened in the centre of the property. The company has a 10-drill compressor, hoist and necessary electrical equipment on the ground. Considerable ore (estimated 150,000 to 200,000 tons) has been developed to the state where it can easily be blocked out. Values average $11.

Mining Notes

Cameron Porcupine Mines, Bartlett Township, will start development soon. Diamond drilling will be undertaken.

La Rose Mine has purchased the Murray claims in Rouyn. Cash was paid.

McIntyre's mill is now in shape to turn out gold bullion of a value of $5,000,000 annually.

West Dome Consolidated operations will carry the workings to 1,000 feet as soon as the necessary power is available.

Montreal-Ontario Mines' offering of 50,000 shares at 40 cents is reported over-subscribed.

Lebel Lode will instal a plant immediately. This company owns 5 claims adjoining the Continental Mines on the north in Lebel Tp.

Three ore shoots have been opened up on the 425-ft. level of the Night Hawk Peninsula. This adds materially to the ore in sight. A diamond drilling exploration program to test the property at depth is under consideration for Clifton. If men are available to sink to 700-ft. level, this will be carried out. The company is well financed.

EMPIRE COTTON SUPPLY

According to W. H. Himbury, the managing director of the British Cotton Growing Association, says the London Times Trade Supplement, the prospect of the Empire becoming self-supporting in regard to supplies of raw cotton is not so remote as might be supposed from a comparison of present Empire production and consumption. Mr. Himbury, who has just returned from a three months' tour of the cotton-growing areas of India and the Sudan, thinks that if the large irrigation schemes in hand or proposed prove successful in making a larger acreage available for cotton growing the Empire might produce enough cotton for its own requirements in a very few years.

Denial of "Split-Up" for Sherwin-Williams

From Our Own Correspondent.

MONTREAL.—Those in close touch with Sherwin-Williams affairs deny the rumours of an intended "split-up" of the stock and indeed the earnings of the company do not give much basis for belief that such is intended. To give three shares for one and put the new stock on a four per cent. dividend basis would require higher earnings than have recently been the case.

Sherwin-Williams paint shares are closely held, more than three-quarters of the outstanding issue being in the hands of those who do not trade with it on the stock exchange and it does not take a great deal of buying to produce a substantial change in the market price of the stock.

SEVENTEEN CENT COPPER STIRRING COAST COMPANIES

Output This Year Will Break All Other Records

From Our Own Correspondent.

VICTORIA.—With the price of copper as high as seventeen cents a pound in the New York market, there is a stronger inducement now than at any time since the war to speed up production in British Columbia's mines. If quotations continue to soar and the companies maintain their present standards, the copper output in this province should exceed all records this year, not even excepting that of 1916, when, under the pressure of war demands, over 65,000,000 pounds of copper was yielded.

Eighty million pounds has been predicted as the probable production of British Columbia copper properties this year if the Britannia mines and the Copper Mountain holdings are worked as extensively as advance reports indicate. The Copper Mountain claims were purchased recently by the Granby Consolidated when that company took over the Canada Copper Company.

As compared with the predicted output for this year, that of 1922 pales into insignificance, for in 1922 British Columbia's copper production aggregated only slightly more than 32,000,000 pounds. Even at that, however, this province contributed 75 per cent. of the total copper output of the whole of Canada, which was 43,321,403 pounds. Besides British Columbia, practically the only producing province in the Dominion was Ontario.

Lead Output Greater

Although British Columbia's lead as a copper producer is an enormous one, in the production of lead the margin is even greater, for last year this province took from its mountains eight-ninths of the total lead output of Canada. British Columbia smashed all records for lead last year, the Trail smelter passing over 87,000,000 pounds, as compared with about 94,000,000 pounds for the entire Dominion. The zinc market appears to be weakening as a result of importations from Mexico and the British Isles, but there is still encouragement for the miners, especially as a result of the facilities provided by the Consolidated Mining & Smelting Company for utilizing the separate properties of the silver-lead-zinc ores, something that has been lacking in previous years. Lead production advanced 60 per cent. last year, almost entirely due to the splendid record of the Sullivan mine in East Kootenay.

In zinc the Pacific province is in an even more commanding position. Indeed, the zinc production of other parts of Canada is infinitesimal by comparison. Of a total production for the Dominion amounting to 56,397,500 pounds, all but 107,000 pounds originated in British Columbia, and the mines would have yielded a considerably larger volume had they not been handicapped by the execution of mechanical readjustments at the smelters.

IS BLUE SKY LAW CONSTITUTIONAL?

Interesting Legal Point Which Has Been Brought Up in Saskatchewan

From Our Own Correspondent.

REGINA.—A case, wherein the constitutionality of the "Blue Sky Laws" of Saskatchewan is attacked on the point of validity, now before the Court of Appeal, is exciting profound interest in financial circles and upon the part of the investing public. Since the act was passed by the legislature, scores of companies have been refused permission to sell stock within the province. Among the companies refused permission to sell stock was the L. R. Steel Company.

The constitutionality of the act is questioned in connection with the prosecution of M. Lukey, Yorkton, who maintains he should not be compelled to pay a note for $300 given the Ruthenian Farmers' Elevator Company in exchange for stock. The company in question is operating under a Dominion charter, and at the time of the transaction with M. Lukey, it is alleged, had no permission from the Local Government Board to sell stock within the province. The elevator company sued Lukey in the Court of King's Bench and was denied judgment by the trial judge, who held it was not entitled to compensation as it had violated the Sale of Shares Act.

It is contended by the company that its Dominion charter should not be over-ridden by a provincial act. If such were the case in all provinces, a Dominion charter would have no value whatsoever.

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AN ANALYSIS OF B.E. STEEL STOCK AND BOND ISSUES

Second Preferred is Speculation But Senior Securities Rank High

IN PAPER TRADE

First Mortgage Issues of Subsidiary Companies Have Excellent Investment Position

From Our Own Correspondent.

MONTREAL. — British Empire Steel second preferred is viewed as a speculation by an American writer who makes an analysis of the corporation's position. He points out that there is a large amount of second preferred stock outstanding and the earnings have been small per share. The full 7% dividend would require some four million dollars annually and it is doubtful if this sum, in addition to the other dividends, has been earned except in war time. The analysis proceeds:

"The issue must be considered a speculation but with the company in a comfortable cash position it would not be surprising to see a small dividend paid on this issue some time in the future if the Canadian iron and steel industry comes back, as it may easily do."

Bonds Get High Rating

The writer, James E. Halstead, in the Magazine of Wall Street, gives an excellent rating to the bonds and the preferred stock. He states:

"Although the British Empire Steel Corporation was formed in 1920 it was not the result of the war boom, its most important subsidiaries being over twenty years old. It produced more pig iron and coal before the war than in the years 1920 or 1921. The company has been going through the post-war depression. When the demand for coal, iron and steel products gets back to the pre-war level, making allowance for the normal increase in the demands of an undeveloped country, the gross business done will be much larger. This fact, together with the lower operating expense which goes with increased production, promises larger earnings in the future.

All Interest Charges Met

"As a matter of fact in its nearly two years of operation the company has covered all interest charges with a satisfactory margin and in the years 1921 and 1922 earned 25% and 21% on the first preferred and 1.5% and 5% on the second preferred respectively. These earnings on preferred compare with deficits after bond interest for a number of steel companies in the United States.

"Of the underlying bonds, the Nova Scotia Steel and Coal First 5% of 1959 have a high investment rating. The bonds are a first mortgage on all the iron, coal and timber lands, coke ovens, furnaces and mills of the Nova Scotia Steel and Coal Co. These properties have an estimated value of six times the amount of these bonds outstanding. For the six years ended December 31, 1920 (separate earnings have not been published since), the earnings available for interest charges have averaged eight times the interest requirements on these bonds.

"These bonds at the present price of 91* give a yield of over 5½%. The yield is high in comparison with many other bonds with no greater safety and security. This issue is recommended to cautious investors desirous of long term investments.

"The perpetual 6% debentures are secured by a second mortgage on the same property. The security is somewhat less but the issue has a very good investment rating. As these debentures sell on a 6.75% basis and are well protected they can be considered favorably as a business man's investment.

Dominion Coal Bonds Good

"The Dominion Coal Co. First 5% Bonds are well secured and are a first mortgage on all the property of the company, including vast coal lands. The separate earnings of this subsidiary are not available but are estimated to be satisfactory. On a 5.6% basis the bonds are well considered.

"The Dominion Iron and Steel Co. First 5% Bonds, due 1929, are secured by a first mortgage on the plants of the company located at Sydney and Cape Breton, Nova Scotia. The earnings of this subsidiary have been good and have covered the interest requirements on this bond over four times. The bonds are worth their present price of 90-92, on which they give a 6.50% yield.

"The Consolidated 5% Bonds due 1939 are a junior issue and do not have as good an investment position but they sell considerably cheaper and yield about 7% to maturity.

"The first preferred stock cannot be called a seasoned security but it was exchanged for securities that were seasoned. Recent earnings applicable to this issue have been satisfactory. With many signs pointing to continuation of the improvement in the industry it is likely that this issue will gradually sell higher as the security becomes better known and more seasoned. In connection with this stock it should be remembered that the company has a surplus of over twenty-one million dollars or nearly three times the amount of this issue outstanding."

What has been said about the second preferred is also stated to be applicable to the common except that this stock cannot be expected to pay dividends for a long time and its purchase is not recommended except as an out and out speculation.

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*The investor should compare prices given with current market quotations to allow for changes.

QUEBEC CENTRAL

Quebec Central Railway Company for the year, ended December 31, 1922, shows a balance of $280,044, after expenses and charges, which compares with $313,223 in the previous year. For the year under review, gross revenue amounted to $2,770,686, which compares with $2,838,926 in the previous year.

Operating expenses were lower in 1922 and thus net operating revenue last year amounted to $570,741, as compared with $540,909 in 1921. Income from other sources is shown lower than in the previous year, while interest charges are shown as slightly higher.

THINKS WELL OF THE POST'S SPECIAL MINING NUMBER

THE FINANCIAL POST is in receipt of the following letter from Balmer Neilly M. E., secretary Ontario Mining Association:

"Read your mining supplement on Sunday and it is only those who like myself have done something along this line who can appreciate the amount of labor involved.

"It is a most creditable compilation and on behalf of the association, I would tender our appreciation and congratulations."

Signed Ontario Mining Ass'n.
B. Neilly, Sec.-Treas.

STEEL COMPANIES HAVE GONE INTO BANKRUPTCY

Receivers of U.S. Could Not Agree—May Sell Stores

L. R. Steel Inc. is now in bankruptcy in the United States and it is likely that similar action will be taken here. In the meantime investigations with criminal prosecutions of officers of the company being conducted in New York State may be carried into the Dominion. At the same time it is stated that capitalists are negotiating for the purchase of all the Steel stores. The Shareholders' Protective Trust has proven a "flivver," the response from the 25,000 U. S. shareholders totalling but $30.

Attorney-General Carl Sherman, New York State, says he has obtained the full consent of the receivers named by the Canadian government to an audit and inquiry by the New York State government. Two investigators who are at present at work in Buffalo will proceed to Toronto. They will be augmented by two more investigators from the State Controller's office. The Buffalo office audit will be completed by May 12, said Major Reilly, but the excursion to Canada will not be delayed for that purpose.

Friendly Buffalo creditors placed the bankruptcy petition because of the conflict of authority arising between the various receivers. Under the new measure, trustees to be chosen by the creditors will handle the property and adjust claims.

No well-defined plan has yet been worked out involving the sale of the Steel stores. The trustees of the Protective Trust at Buffalo had such a proposal before them when they met last Saturday.

GRANBY'S DEFICIT TURNED TO SURPLUS

Earned $26,311 in Year 1922 as Compared With Previous Year's Loss of $287,162

From Our Own Correspondent.

MONTREAL.—Granby Consolidated Mining and Smelting turned its deficit of the past two years into a profit this year. The profit was small, $26,311, but indicated the improvement in conditions in the mining industry in British Columbia, which has already made its presence felt in the annual figures of the Consolidated Mining and Smelting Corporation.

Income account of Granby for three years past compares as follows:

	1922	1921	1920
Gross ..	$5,279,267	$7,234,519	$6,684,123
Op. cost	4,250,663	6,614,274	6,863,860
Op. prof	$1,028,604	$ 620,245	*$ 179,237
Other in.	66,796	66,796	
Tot. inc.	$1,095,400	$ 687,041	*$179,237
Int., etc.	287,300	674,293	507,775
Deprec .	781,789	300,000	
Surplus $	26,311	*$ 287,162	*$ 687,012
†Prev. Surp.	764,318*	141,552	1,184,309
Ttl. Surp.	$738,007	$ 145,610*	$ 497,298

* Deficit.
† After adjustment.

Completion of the new dam by midsummer will solve the problem of cheap power. A new mill that is to be built will be completed early in 1924. The average price obtained for copper sold was 13.3 cents a pound, compared with 12.76 in 1921. In 1922, 891,971 tons of ore were mined, all but 37,300 tons from the Hidden Creek Mine and 14,435 feet of diamond drilling.

Ore reserves were recalculated on area-per-cent. method instead of foot-per-cent. basis. This reduced reserves somewhat, as at December 31, 1922, the new estimate showing 8,955,990 tons of 2 per cent. ore developed. It is believed further diamond drilling will restore much of the tonnage excluded from the re-estimate. It is intended next year to include in reserves considerable low-grade material which by then, as result of lower operating costs, will have become ore. Diamond drilling has indicated two occurrences at considerable distance from the present ore body that may finally develop into important finds, but it will be several months before definite knowledge as to their importance can be obtained.

Windsor Hotel Spends $750,000 on Improvements

From Our Own Correspondent.

MONTREAL. — When the programme of improvement of the Windsor Hotel is completed in the fall a total of $750,000 will have been spent. Additional rooms have been added, a new ball room has been opened up, a coffee room is being built and almost the entire interior equipment and furniture have been brought up-to-date.

APRIL BIG MONTH IN EARNINGS FOR RAILWAY SYSTEMS

National Lines and C.P.R. Both Increased Gross Revenues

G.T.R. IMPROVES

Lines That Formed Grand Trunk Chiefly Responsible for a Big Increase in Earnings of National Rys.

From Our Own Correspondent.

MONTREAL.— April proved to be a big month for Canadian railways, and this was especially gratifying following the trying conditions of the first three months of the year. The National lines put on a large increase of business during April, the increase in gross earnings for the first three weeks of the month totalling $3,783,538, which brought the total increase in gross earnings for the year to April 21, to $7,813,988. Actual gross earnings for the period were $67,013,935.

The C. P. R. also improved its earnings position in April. At the end of the first three months of the year C. P. R. gross earnings had increased only $1,405,247, as against an increase in operating expenses of $1,768,485 due to severe weather conditions. As a result net earnings were actually reduced from the total for the first three months of 1922. The comparison follows:

First quarter	1923	1922
Gross earn.	$37,894,541	$36,489,294
Work. exp.	34,699,308	32,930,823
Net prof.	$ 3,195,233	$ 3,558,471

Increased Gross in April

In April the C. P. R. put on a very good increase in gross earnings, the increase for three weeks totalling $791,000. As working expenses showed a tendency to decline in April a portion of the loss in net earnings was made up during April.

Comparative figures for the two big Canadian railway lines are as follows:

Canadian Pacific

April	Gross earnings	Increase over 1922
First Week	$3,111,000	$141,000
Second week	3,120,000	401,000
Third week	3,174,000	249,000
Increase for April		$ 791,000
Year to date		2,196,247

Canadian National

April	Gross earnings	Increase over 1922
First week	$4,560,557	$ 869,199
Second week	4,656,011	1,375,192
Third week	4,804,614	1,539,147
Increase for April		$3,783,538
Year to date		$7,813,988

New Accounting System

May 1 saw the new accounting system go into effect on the Canadian National lines and in the future it will probably be possible to get more speedy and accurate reports of the net earnings of the government owned lines. The full force of amalgamation of the various lines will be seen in the figures.

It may be emphasized that the increase in the Canadian National gross is not due to the fact that a large mileage is included. National line officials emphasize that the mileage included in this year's figures is exactly the same as that included in the 1922 figures given for comparison.

The Grand Trunk is chiefly responsible for the betterment in earnings—or at least those parts of the National lines that were once the Grand Trunk.

BOSTON-MONTANA HAS SUDDENLY COLLAPSED

Vice-President of U.S. and Ex-Governor of Montana Involved in Big Game

The collapse of the Boston-Montana Corpn., a mining venture, has resulted in quick court action and the indictment of a large number of leading citizens at Boston, Mass. One of those cited as a booster for the stock was Calvin Coolidge, vice-president of the United States, while William R. Allen, former governor of Montana, is one of the indicted officials. Hamilton B. Wills, a Toronto broker, is also involved. Mr. Wills says he was a director of the company 30 days while his auditors investigated the financial position of the concern. He immediately wrote his resignation. He is one of the 18 indicted and at once went to Boston.

Governor Allen appears in the light of a smooth stock salesman. He staged a series of dinners at Boston City Club. Public officials and business and professional men were invited to one of the largest and most brilliant gatherings ever held at Boston City Club on the night of January 18, 1922. It was at that dinner that Vice-president Calvin Coolidge eulogized President Allen and his enterprise. Allen swung Montana for Coolidge in the national election, and named a mining town for him.

President Allen, breezy and magnetic, was given an ovation and painted a graphic word picture of the prospects for sure-fire wealth. Exactly $283,000 was subscribed for Boston-Montana mining stock at the grand affair. The records show that 425 attended—bankers, brokers, lawyers, doctors, merchants, manufacturers and politicians.

Many leading men hold 100,000 and 200,000 share lots in the $25,000,000 concern that has now collapsed. The property was supposed to be a great copper proposition.

America imported $80,515,829 of pearls, diamonds and other gems through London in the past four years, or about 70% of world's production.

Matachewan Canadian Gold Limited
No Personal Liability
INCORPORATED UNDER THE ONTARIO COMPANIES ACT
HEAD OFFICE - - - TORONTO, CANADA
Capital Authorized - - $5,000,000 Capital Issued - - $3,330,007

HON. G. D. ROBERTSON, P.C., LL.D. .... President
Former Minister of Labor, Federal Government, Ottawa, Ont.
Vice-President, Order of Railroad Telegraphers.
HON. J. A. McDONALD, Shediac, N.B. .... Vice-President
Pres., Amherst Pianos, Ltd. Vice-Pres., Atlantic Underwear, Ltd.
JOS. S. QUALEY .... Managing Director
Mining, New York, U.S.A.
W. J. BOLAND .... Treasurer
MacDonell & Boland, Toronto, Ont.
R. E. EVANS .... Secretary
Toronto, Ont.

DIRECTORS:
HON. G. D. ROBERTSON, P.C., LL.D., former Minister of Labor, Ottawa, Ont.; Vice-Pres. Order of Railroad Telegraphers.
JOS. S. QUALEY, ESQ., Mining, New York, U.S.A.
HON. RODOLPHE MONTY, P.C., K.C., Ex-Secretary of State for Canada; Monty, Duranleau, Ross & Angers, Montreal, P.Q.
HENRY S. THOMPSON, ESQ., Vice-Pres., Globe & Rutgers Fire Insurance Company, New York, U.S.A.
M. S. CLARKE, ESQ., Clarke, Hook & Company, Halifax, N.S.; Vice-Pres., The Nova Scotia Trust Company.
HON. J. A. McDONALD, President, Amherst Pianos, Ltd.; Vice-President, Atlantic Underwear, Ltd.
BERNE H. HOPKINS, ESQ., Oil & Mining, Colorado Springs, Colorado.
HUGH H. SUTHERLAND, ESQ., Pres., F. C. Sutherland & Company, Ltd.; Gen.-Man., Great Northern Power Co., Ltd.
WALTER J. BOLAND, ESQ., Macdonell & Boland, Barristers & Solicitors, Toronto, Ont.
CHAS. F. NAVIN, ESQ., Detroit, Mich.

Bankers - - - - - - - - - - - - - - Bank of Nova Scotia
Solicitors - - - - - - - - - - - Macdonell & Boland, Toronto, Ont.
Transfer Agent & Registrar — The Trusts & Guarantee Company, Limited, Toronto, Ont.

Property

The Company owns in the Matachewan Gold Area approximately 840 acres in a compact block. This property is the result of the consolidation of the holdings of the Matachewan Canadian Gold Limited, The Matachewan Rand Gold Mines Limited, and the Clemens-Robb claims, located in the centre of what is termed the Matachewan Gold Camp. The merger of these properties places the Company as one of the largest owners of mining properties in Northern Ontario.

A number of the claims making up the total acreage owned by the Company were staked by a group of well-known prospectors, which included the late Benny Hollinger, the staker of the original famous Hollinger Mine in Porcupine, now considered one of the greatest gold mines in the world, and which produces approximately One Million Dollars in gold every thirty days. The estate of the late Mr. Hollinger ranks as one of the largest shareholders of the Matachewan Canadian Gold Limited.

The results secured from development work, hereinafter outlined, supply the foundation for practically every report that has been issued on the district from time to time, both by Dominion and Ontario Government geologists and independent engineers.

History and Location of Matachewan Camp

The Matachewan Gold area was discovered in 1916 by the late Sam Otisse, one of the oldest and best known prospectors in Canada, the original discovery claims now forming a part of this Company's property. It is situated in the District of Temiskaming, Northern Ontario, and embraces the Townships of Powell, Yarrow, Cairo, Kimberley, Baden, Alma, Bannockburn, Holmes and Flavelle. It is reached by the T. & N. O. Railway to Elk Lake and thence by boat up the Montreal River or by road into the Camp. The Matachewan Camp proper, that is to say, the area where the greatest amount of development work has been accomplished (largely by this Company) is located in the Townships of Powell and Cairo. It is approximately 28 miles southwest of Kirkland Lake and 38 miles south of Porcupine, two of the largest producing gold camps of the Western Hemisphere, and among the greatest in the world.

Development

During the years 1918, 1919 and 1920, working under most difficult conditions—due to the fact that the property was situated 25 miles from the railroad, and consequently inaccessible; also to the absence of electrical power—the merged companies expended in excess of $500,000 in acquiring claims and conducting an extensive campaign of diamond drilling, surface trenching and underground work. In order to carry out this programme, the Company installed a fairly complete mining plant and equipment, together with the required buildings and bunk houses. This involved the taking in of the necessary machinery, materials and supplies over a country where no roads were available at that time. The results secured, however, conclusively warranted this expenditure.

This preliminary development included the putting down, over a wide area, of 62 holes having an average depth of approximately 250 feet, totalling in all 14,294 feet. In addition, 3,700 feet of trenching, 203 feet of sinking and 1,000 feet of drifting has been done, having as its object the co-relating of the ore bodies. While the chief purpose of this work was to acquire information on the geological conditions existing, it resulted in demonstrating an estimated ore tonnage of 36,857 tons having an average value of $9.77 to the ton.

Extracts From Government Reports

In a publication issued by the Department of Mines at Ottawa, under the name of "Geology of Matachewan District, Northern Ontario," Mr. H. C. Cook, Government Geologist, who made a thorough study of the Matachewan Area, stated in effect:

"The porphyry mass on these claims (Matachewan Canadian Gold Limited) is the largest yet discovered in the District, being somewhat over one-half mile in length and 500-600 feet in width.

"Channel samples, taken along the bottom of trenches in the enriched areas by the engineers examining the property, are said to have given values carrying from $5.00 to $25.00 per ton.

"The dykes contain sufficient auriferous pyrite to yield values carrying from $3.00 to $50.00 per ton with an average of about $10.00."

In the 29th Annual Report of the Ontario Department of Mines, published in 1920, is given the results of an exhaustive examination of the Matachewan Area as carried out by Mr. A. G. Burrows, Geologist for the Department. It is considered that no more favorable report has ever been issued in Canada on any gold area in the same stage of preliminary development. On Page 61, Paragraph 2, in his report on this Company's property, Mr. Burrows states as follows:

"In places the altered and mineralized light grey schist is 10 to 25 feet in width. One mass of ore to the northeast of No. 1 shaft is 50 feet long, with an average width of 20 feet. Two cross sections of this ore showed assay values of $12.75 over 27.35 feet and $18.31 over 22.75 feet. Another lens of light grey ore can be traced west-ward from No. 2 shaft for 100 feet into low ground. This ore averages about ten feet in width. In trench 200 one section 14.5 feet in width, of light greenish calcareous schist containing a band of grey porphyry showed an assay value of $20.25."

Conclusion

An estimated ore tonnage of 36,857 tons has been indicated by the above work. Basing these estimates on the complete reports of the engineers, aggressive operations over a period of six to eight months should open up 150,000 to 200,000 tons of $11.00 ore, approximating in value $2,000,000, and permit the erection of a mill thus placing the Company on a producing basis within a very short period.

We would draw your attention especially to the Board of Directorate of this Company, which constitutes one of the strongest groups ever brought together in any single mining enterprise.

In due course application will be made to list this stock in Toronto and New York.
We are now offering for public subscription, for a limited period, 600,000 shares of the Matachewan Canadian Gold Limited at $1.00 (par value) a share.
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Date 1923
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MONEY, BANKING AND EXCHANGE

FISHER'S THEORY FOR STABILIZING OF THE DOLLAR

Would Adjust Quantity of Gold to Buying Power.

The explanation of his idea of the stabilization of the dollar by Professor Irving Fisher, of Yale, before the Committee on Banking and Commerce holds an interest for the members of the banking profession.

He contends that the great trouble with the business world is that it has a variable yard stick, or false standard of value, which every now and then turns a trick on people and robs them. He declares that the monetary system must be changed, and that a standard of value adopted that will always have the same purchasing power.

The professor pointed out that the evils of deflation and inflation are among the most subtle and important that the industrial world suffers from. These, he says, arise from the instability of the price law, or of the purchasing power of money. The war caused this to be felt as never before. Professor Fisher said from personal observation that very few of the Germans realized that prices had risen because of the fall in the mark. Certainly the rise in wages in that country did not explain the leaping forward of prices, for whereas wages had risen eight times, prices had risen 25 times.

Gold and Silver Standards

The master key to the price level lay in money and credit, said Prof. Fisher. There were other causes, but only of a minor nature. It was also observed that the countries having the same kind of money have the same price curve; those with the gold standard have sympathetic price movements, and the same is true of those on the silver standard.

Business cycles were explained chiefly by changes in the price level, and as a result it was possible to predict what business would be like through changes in the price level. That is to say, business "will be affected in proportion as the yard stick by which values are measured shrinks or expands. Trouble arises when the yard stick plays a trick on business.

"If the dollar could be stabilized it would be possible to get rid of both inflation and deflation. This done, business the world over would probably experience a prosperity unknown before."

Evils of Inflation

There was a mistaken impression abroad that the evils of inflation could be cured by deflation and vice versa. Acting on this principle the banks in the United States, under the leadership of the federal reserve system, had produced deflation, and Professor Fisher expressed the opinion that the same influences had operated both in the United Kingdom and Canada. He agreed with Reginald McKenna that inflation and deflation were not the curatives of one another.

Rising prices were erroneously attributed to profiteers, labor unions, banks and other influences. It was true that these sometimes got an advantage, but they were not usually the cause. These sudden variations in prices were in reality a picking of pockets. It had been authoritatively estimated that the change in the purchasing power of the dollar in the United States during recent years had involved the transfer of a sum of not less than forty billions of dollars from the pockets of one set of persons to those of another.

A good example of this swindling was to be seen in the case of a domestic who in 1896 had deposited $100 in a savings bank at four per cent., and drew it in 1921. She drew out $250, but when she came to spend it she could not buy as much as the $100 could have bought 25 years before. In the case of a woman bondholder who had been bequeathed $50,000 in 1895 when prices were at their lowest, it was found that in 1920 the same purchasing power would not have been represented by a sum less than $150,000. In this case a safe investment was safe only on paper. During a period of inflation the stockholder profited greatly at the expense of the bondholder who had a fixed return. When prices are falling the reverse applied.

Remedies Proposed

Speaking of remedies, Professor Fisher said that at the Genoa Conference the British Treasury had submitted a proposal that would have applied to the whole world. It provided that the banks of the world should watch the index number of prices and so adjust rates of discount as to prevent undue inflation or deflation. Another proposal was that the banks of the world should make arrangements by which an adequate gold reserve should be maintained where needed in order to maintain the price level. The price index was the key.

There were two methods of dealing with such a situation, one being international and the other national. If Canada desired a remedy only for herself, she might through the stabilizing of her dollar remove many of the grievances as to prices that came from the West and other parts, but the price that would result from unstable exchange would be a heavy one. Still, in the long run, it probably would be better to pay it, though to do so might, from the political standpoint, be difficult. Canada might adopt the other course of abandoning all thought of stabilizing the dollar through her own efforts, but endeavor to induce the world to do so. She might propose an international conference on money, credit and the price level and for the putting into effect the proposals of the Genoa Conference.

Fisher's Theory

Briefly stated, Professor Fisher's method for the stabilizing of the dollar, insofar as the United States is concerned, lies in providing that a given quantity of gold shall always have the same purchasing power. At present an American gold dollar certificate guarantees 23.22 grains of gold, and it is proposed to guarantee an amount of gold that will always have the same amount of purchasing power as 23.22 grains had at whatever date the currency was instituted. The variations in the certificates would depend upon bi-monthly price indices to be calculated by government experts. The latter would revise price levels from time to time and would tell what gold was worth and the mint would put this price upon it. One of the chief troubles of the present system was that when England in 1818 adopted the gold standard she had no price index number. Other countries had followed her lead more from the force of example stitutions of the country.

TROUBLE OF FARMER IS TOO MUCH CREDIT

Closer Relations of Banks and Agricultural Community Would Do Good.

The Council of the American Bankers' Association endorses the work of the Agricultural Commission in establishing closer relations between the banker, the farmer of the country, and the agricultural colleges. The Council is convinced that the work so successfully inaugurated this year will result in the maintenance and strengthening of the fundamental institutions of the country.

There is no question, says the Council, that the whole agricultural industry has been suffering not from a lack of credit but from a super-abundance of credit which has frequently led to speculation in land and uneconomic expenditure. The misapprehension broadly shared that the fall in the price of farm products was caused by undue restriction of banking credit has been so clearly disproved by government boards themselves that it seems unwise to us to base legislative remedies upon such an untenable position.

The Council believes that the most serious condition confronting the farmers of the country is due to the maladjustment prevailing between the prices which farmers receive for their prdoucts and those which they are compelled to pay for the goods which they themselves must purchase. This maladjustment arises in part from the demands of organized labor and from the chaotic condition of the European markets. The Council believes that in this connection the whole immigration policy should be carefully considered with a view of having a sufficient supply of labor available for agriculture and industry. At the same time it ought to be possible to prevent the entry of such who are likely to prove a menace to the political and physical welfare of the country.

Weekly Bank Clearings

(In comparison with same week last year)

EASTERN CITIES

	April 26, 1923	Change	%
Montreal	$ 99,267,558—	$ 7,483,420	7.0
Toronto	98,320,692—	11,556,043	10.5
Ottawa	5,537,803—	1,313,176	19.1
Hamilton	5,502,683—	180,916	3.2
Quebec	5,083,468+	458,030	9.9
Windsor	3,842,257—	265,087	6.4
Halifax	2,916,721+	129,140	4.6
St. John	2,718,168—	60,411	2.2
London	2,637,502—	272,454	9.3
Moncton	1,074,541+	46,152	4.5
Kitchener	1,018,028—	77,418	7.1
Brantford	999,017+	61,035	6.5
Sherbrooke	816,357—	19,328	2.3
Peterboro'	725,248—	32,725	4.3
Kingston	518,492—	114,619	18.1
Total East	$230,978,535—	$20,681,240	8.2

WESTERN CITIES

	April 26, 1923	Change	%
Winnipeg	$ 35,734,001—	$ 7,108,510	16.6
Vancouver	14,339,804+	958,255	7.2
Calgary	4,251,884—	882,152	17.1
Edmonton	3,897,566—	32,983	.8
Regina	3,138,452—	55,785	1.7
Victoria	1,927,367+	44,462	2.4
Saskatoon	1,460,506—	178,030	10.8
Moose Jaw	1,022,623—	84,874	7.6
N. Westminster	650,122+	131,249	25.3
Fort Wiliam	642,491—	14,338	2.2
Brandon	487,130—	11,545	2.3
Lethbridge	482,991+	25,536	5.6
Prince Albert	339,433+	10,187	3.1
Medicine Hat	248,576—	79,164	24.2
Total West	$ 68,622,946—	$ 7,277,692	9.6
Grand Total	$299,601,481—	$27,958,932	8.5
Yr. to date	$4,820,060,193—	$164,503,429	3.3

Monthly Bank Clearings

(In comparison with same month last year)

EASTERN CITIES

	April, 1923	Change	%
Montreal	$416,216,362+	$17,239,458	4.3
Toronto	404,479,776+	24,141,551	6.3
Ottawa	26,227,783—	3,188,833	10.8
Hamilton	23,086,709+	1,157,906	5.3
Windsor	13,608,711—	68,804	.5
Halifax	12,069,225—	268,759	2.1
London	11,493,880—	10,280	.1
St. John	11,323,304+	600,020	5.6
Moncton	4,612,530—	299,693	6.1
Kitchener	4,375,390+	165,583	3.9
Brantford	4,157,344—	280,201	6.3
Sherbrooke	3,722,065+	441,503	13.4
Peterboro'	3,115,060+	81,853	2.7
Kingston	2,561,360—	67,827	2.5
Total East	$941,049,469+	$39,643,477	4.4
Quebec	22,143,601		

WESTERN CITIES

	April, 1923	Change	%
Winnipeg	$163,867,517+	$ 4,812,767	3.0
Vancouver	59,150,019+	7,354,136	14.2
Calgary	19,131,837—	996,095	4.9
Edmonton	16,318,875—	1,222,742	6.9
Regina	13,864,658+	1,251,300	9.9
Victoria	8,126,730+	331,121	4.2
Sasatoon	6,125,282—	235,952	3.7
Mooske Jaw	4,885,196+	490,973	11.2
Fort William	3,069,440+	554,047	22.0
N. Westminster	2,522,572+	511,262	25.8
Lethbridge	2,360,817+	254,588	12.1
Brandon	2,114,056—	136,909	6.1
Prince Albert	1,488,017+	138,993	10.8
Medicine Hat	1,312,934+	151,362	13.0
Total West	$304,337,950+	$13,258,851	4.5
Grand Total	$1,245,387,419+	$52,902,328	4.4

BANKS DENY CHARGES OF INSURANCE AGENTS

Assert No Influence Exerted in Placing Insurance on Property

The claim, made before the Banking and Commerce Committee at Ottawa by R. J. Wickham, president of the Federation of Insurance Agents, that certain banks used their control of credit to force the placing of insurance, through trust companies controlled by them, was repudiated before the committee by officials from two banks and a trust company.

C. E. Neill, general manager of the Royal Bank, said that the Royal Bank does not control the Montreal Trust Company and that it does not own a single share in the latter company. He pointed out that, of the twenty-one directors of the Montreal Trust Company only nine are on the board of the Royal Bank and several are directors of other banks, while a number of the Royal Bank directors are on the board of other trust companies. He also stated that the bank had never brought pressure to bear in the matter of placing insurance by persons seeking loans from it, and that its managers and officers were forbidden to act as insurance agents.

D. R. Clark, assistant general manager of the Bank of Montreal, asserted that the bank had not attempted to influence its customers to place insurance through the Royal Agencies, Limited, the Royal Trust Company or anyone else. He stated that the Bank of Montreal does not own shares in the Royal Trust Company and that the interests of each are substantially different.

R. H. Jellett, assistant manager of the Royal Trust Company, stated that nine of the seventeen directors of his company are directors of the Bank of Montreal. The executive committee of the trust company consists of Sir Vincent Meredith, president of the Bank of Montreal, Sir Frederick Williams-Taylor, general manager of the Bank of Montreal and C. W. Dean. He went on to say that the Royal Trust Company placed insurance through the Royal Agencies, Limited, whenever possible, but it would not cancel existing policies. He said that the trust company did not derive any appreciable business from the Bank of Montreal beyond its own insurance.

Exchange

NEW YORK FUNDS

April 26—Funds opened at 2¼ per cent. and closed at 2, down 3-16 from the previous close.

April 27—Funds opened unchanged at 2, and closed at 2 1-16.

April 28—Opening at 2 1-32 per cent. premium funds closed at 2.

April 30—Funds opened at 1 31-32, touched a high of 2 and closed at 1 31-32.

May 1—Opening at 1 15-16, funds rose to high of 2 and closed at 1 31-32.

May 2—Funds opened unchanged at 1 31-32 and closed at 1 61-64.

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
April 26	4.63	6.78½	4.92
April 27	4.63¼	6.77½	4.91½
April 28	4.63⅜	6.78	4.92½
April 30	4.63⅜	6.73½	4.89
May 1	4.63¾	6.74½	4.88½
May 2	4.63⅝	6.62½	4.89

Royal

The Royal Bank of Canada is extending its interests in Cuba, according to the following Havana despatch to The Wall Street Journal: Gomez Mena Bank announces its retirement from business on April 30. The accounts of the bank have been transferred to the Royal Bank of Canada. The Gomez Mena is one of the largest private banks in Cuba with many branches in the island. The reason given by the managing partners for retirement from the banking field is the wish to give attention to other extensive interests.

A New Map Of Kirkland Lake

FOR the special benefit of those interested in the wonderful expansion of the north, we have prepared for free distribution a new map of the Kirkland Lake Camp as far east as the Larder Lake District.

AS a reliable and ready reference, this map will prove an invaluable guide and of great assistance in the making of successful market operations.

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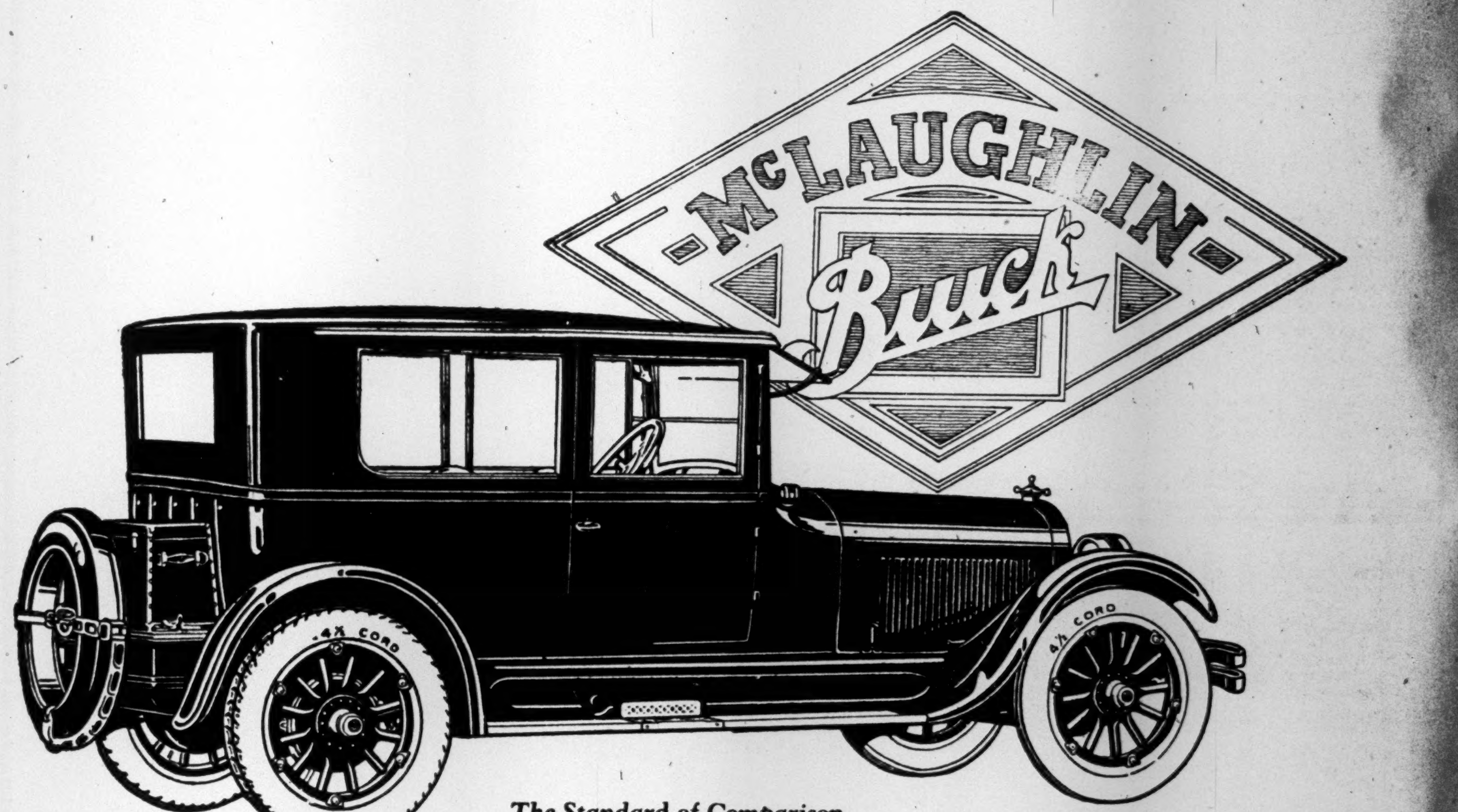

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Perfect Comfort on the Longest Tour

The "Master-Six" Touring Sedan 23-41 $2725

This smart McLaughlin-Buick six cylinder touring sedan offers an unsurpassed comfort for country touring and city driving as well.

Long and low in appearance, it provides perfect riding ease for five passengers. Its well-knit chassis, new cantilever springs and strong frame take up the jars and jolts of the country road.

Broad plate glass windows give a wide vision to all occupants while protecting them from chilling winds; added warmth is provided by a heater. Comfort for summer is assured by cowl ventilator and adjustable windows and windshield. The interior of the Fisher built body is finished in handsome plush with individual seats in front. Driving conveniences are assured by a longer steering column at a lower angle, complete instrument panel and longer gear shift lever.

Large Luggage Trunk

The handsome luggage trunk carried on the rear of the touring sedan models is as practical as it is striking. It will carry a suitcase or small luggage so that the passengers need not be inconvenienced.

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23-35 Special 1295
23-36 Coupe 1645
23-37 Sedan 1950
23-38 Touring Sedan 1855

Master Sixes
23-41 Touring Sedan $2725
23-44 Special Roadster 1695
23-45 Special 1725
23-47 Sedan 2795
23-48 Coupe 2675
23-49 Special 7 Passenger 2095
23-50 Sedan 3095
23-54 Special 2295
23-55 Special 2375

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M-223

NEWS AND VIEWS FOR MANAGERS

GETTING STAFF TO THEIR DESKS WITHOUT DELAY

How a Maritime Manager Has Eliminated Tardiness

A bank manager in the Maritime provinces has found a merit system that has been working acceptably. This manager has been a stickler for regularity in reaching the bank for work in the mornings and following meals. He noticed that some of his most valued assistants are afflicted with tardiness. So after thinking of various plans he decided on this one. Every person who is late in reporting at the bank in the morning must serve two minutes' punishment duty for every minute late. This punishment duty is to be served during the afternoon only. The same rule applies to all employees late in returning from lunch.

At the close of each month the name of the employee with the best record for punctuality in starting work is bulletined in the bank. The names of the second and third persons in the anti-tardiness campaign are also published.

The campaign has been found so effectual that in one month there was but one instance of tardiness beyond five minutes among twelve employees. Each employee is called on to report to the manager each morning and after lunch, or to the chief accountant in his absence.

A special period of five minutes is allowed following opening hour in the morning and following the time allowed for lunch. This is a special period of grace to permit employees to be on time who are just a trifle late through delay in making street car connections, etc.

The employees are becoming intensely interested in the campaign. The consequence is that work starts with much greater promptitude than ever known heretofore. The chronic late-comers are now striving to reach the bank on time and usually have been achieving surprising results, although there are relapses now and again, as would be expected. In former days the curse of this office was tardiness, but reform is now in the air, due to the system instituted by the wide-awake manager.

How One Banker Was Cured of Hot Temper

Tact is a trait that should be very prominently imbedded in the characters of bank managers. There are times when the manager feels more like battling than exercising diplomacy, but in the end, after the smoke has cleared away, he will usually find he is right in holding his temper.

Once upon a time there was in the Maritime provinces a manager of a small branch who was known to be very hot headed. A very excellent banker otherwise, his promotion had been deferred because of a very bad habit of wanting to fight with his fists whenever exasperated, which was very often.

One of his customers was the superintendent of an insane asylum. On invitation of the superintendent, the bank manager visited the institution and was taken on a tour around. In the course of the tour, they came upon a man working in the garden. The man was of splendid appearance and undoubtedly had been very intelligent in his days of sanity.

The question naturally arose: "How did this man get here?" The superintendent explained that the inmate had been a man holding a very responsible position in a brokerage house, and a man who had formerly been employed as manager of a small branch bank. Burdened with a terrible temper, he had gradually worked himself into insanity by his fits of temper. His nervous system had not been strong enough to stand the strain and he had been committed to the asylum. He had been improving daily since his commitment, and his liberation was in sight.

"Just think of this poor man," was the suggestion of the superintendent to the bank manager, "when you feel like flying off the handle. What happened to him is liable to happen to you."

Following the visit to the institution the bank manager soon reduced the number of his rages to the veriest minimum just by visualizing the fate of the unfortunate broker and ex-banker. The subject of this item was afterwards promoted to an executive position at headquarters, and is in line for further advancement. Now he utilizes biting logic to relieve his feelings if a situation demands radical action.

INTRODUCING BANK STAFF MEMBERS

Small, attractive signboards giving the names of officials in the various departments have been adopted in the head office branch of the Dominion Bank and are proving such a satisfactory innovation from the standpoint of both the bank's customers and the members of the staff that the idea will probably be extended to the bank's other large branches. This plan of introducing members of the staff of an institution to the public was first successfully tried in the large hotels and has since been adopted in many financial and other business institutions.

Road to Success Along Highway of Long Years of Hard Work

Col. John Bayne Maclean Draws Useful Lessons from Contact With World Leaders — Defends Canada's Big Men of Finance.

Below are extracts taken from an address delivered by Col. John Bayne Maclean at Durham, Ont., recently. Col. Maclean used to teach school at Durham. His views on famous personalities and present day conditions and the morals he draws are not only interesting but of great value. They focus attention on the need of hard work as a means to success and happiness at a time when the tendency is to "let George do it."

Teachers are supposed to have outlived their usefulness and be entitled to pensions at sixty. Yet if they take care of their health and continue to learn, at sixty is when they should begin to be at their best—when they can supplement the textbooks with lessons from their own practical experience. One of the farm M. P.'s, speaking in the House of Commons recently, complained that professors of economics and writers of text books never got them anywhere when it came to dealing with practical questions. Last week I was listening to the evidence of Sir Frederick Williams Taylor, general manager of the Bank of Montreal, president of the Canadian Bankers' Association, at Ottawa. One of the Labor critics fired some theories from a college text book on economics. Sir Frederick had to admit that he (Sir Frederick himself) was quite ignorant of the technicalities and theories of economics; he was just a plain, practical banker with 45 years' experience.

Strathcona and Hill

"I happened to be in London and saw Lord Strathcona at the time Harriman—I think it was—was trying to oust the J. J. Hill interests in the old Minneapolis and St. Paul. I heard his agents had offered Strathcona $1,000 a share for shares he had originally bought for 25 cents, and asked him why he did not sell; that price would have been a great fortune in itself. The old man said he was offered more than that, but all the money in the world would not induce him to desert his old friend James Hill. He proceeded to tell me that when he had reached his seventieth birthday he considered himself very rich—easily the richest man in Canada. He had worked hard and felt he deserved a rest and relaxation.

"He went to his doctor (Roddick, who died as 'Sir Thomas' a few weeks ago) and asked him what he thought of the idea. Roddick came back quickly: 'On no account. Go on the same as ever. You will go back if you stop now.' And said Strathcona to me. 'I have worked harder and made more money since then than in all my previous life.' Which was undoubtedly true. The old man did not say something else, that was equally true; that he got more enjoyment out of his very busy life—for he loved public applause—than if he had retired at seventy. It was some time after this he was telling me about renting an estate near London for 11 years, and he added that he had fixed it up so that if he liked the place he could have it for another 11. At the time of this conversation he was about 90.

Tackles Hardest Job at 70

"I think it was Thyssen, the great German industrialist, who said: 'If we rest we rust,' and he never rested. A New York friend of mine—one of the richest and most successful men in the world, in his field, will be 70 in August. He told me a few weeks ago of some rearranging of his business and private affairs to leave himself free to concentrate and work hard on the biggest job of his life. I do not know how he can work longer hours, for he rises at seven and never retires until after midnight. In fact, between 11 and 12 midnight he talks on his private telephone to his chief lieutenants on the day's developments.

One of the ablest British generals, now going into his seventy-second year, the man who was called in two years ago to prepare the scheme for Empire defence, writing a few weeks ago, said: 'The older I grow the more busy I seem to become. I don't know if you suffer from the same increasing pressure, but it is quite unnatural and frightful.'

Bible and Success

"I would say that the next most important aid to success is the advice given in the first verse of the first Psalm: 'Blessed is the man that walketh not in the council of the ungodly, nor standeth in the way of sinners, nor sitteth in the seat of the scornful.' I think all of you, who have been brought up strictly, can look back, as I do, on certain wicked, ungodly boys and girls with whom we would have liked to play but were never allowed to. The churches have taught too much that the ungodly were those who did not attend church regularly, who did not make loud profession of their goodness; while those who occupied front pews and made much noise were the examples of everything that was holy for the rest of us to follow.

"The result has been that many frauds have been perpetrated upon the honest people by religious fakirs. A German-American, Morgenthau, speaking recently at the Canadian Club, said the best way to spread propaganda was through fooling the public by religious and charitable appeals.

"Finally," continued Col. Maclean, "'sitting in the seat of the scornful,' I take to mean not to be influenced, advised or guided by the persons who sneer at success in life, the pessimists, the persons who say a thing can't be done, the backbiters, and when I use the word 'success' I am not referring to money-making—it is not the money you make but the things you do. If you do them well, take a pride in them and enjoy the doing of them and enjoy life, then you are a success.

Gave of Their Best

"And the sadness, the tragedy of the situation is that we are dupes, cheering them on, working for them, aiding them in pulling down, destroying the real gods who want to help us. The real gods whom they would tear down and dash to pieces are the tried Canadians—our experienced leaders who have battled up from the ranks through long, laborious, disappointing, disheartening, hard, tiresome years, through many failures to success. Their experiences are just modern testimony confirming the accuracy of the lessons taught in the Bible. Hon. Mr. Bowman, Minister of Forests, in his campaign speeches, took great pleasure in referring to the magnates who made money from public utilities and spent it in luxury and idleness.

"As I knew nearly all of these men to whom he was referring, and knew them intimately, knew their private life, we asked him to name one. He could not. The reverse is and was true of every man who is associated with our traction and other public utilities. A number of them, after giving the best of their lives building up industries that brought millions of capital into Canada, paid out millions in wages and for Canadian supplies, ended their days, or are ending their days, with little money. It is not the money they make, it is what they do with it.

Run After False Gods

"The way we natives of Ontario more than any other class in Canada, run after the agitators, the crooks, the hypocrites and false gods, makes me many times sad and depressed. I find myself many times alone in the wilderness. I have no possible or direct or indirect selfish personal ends to serve in pleading with you for a more generous treatment of our prize men and women—our real gods. There is no love lost between some of them and myself. The relations are most unfriendly in some cases. You can differ, you can criticise, can abuse a man or a policy in private life, even in a local paper—weekly or daily—you can get away with it, but when you have a paper that is read across the Dominion and by the more influential classes it is another matter.

"The only thing these men can give me to-day is news. They can't give me money-making tips—I never use them excepting for the benefit of readers. My only interest is the upbuilding and prosperity of this country, and we can do it only by maintaining and aiding our tried men and policies and not worshipping idols and setting up false gods. Notwithstanding all that the hired labor agitators, politicians and propagandists from Central Europe may teach, and it is they who are at the back of this campaign against the men who are doing things in Britain, Canada and the United States, I know of no real American or Canadian business man or financial leader who wants to make money that he may use it for personal wants or to make his relatives rich and workless.

"I know of no American or Canadian business or financial leader who is not a very strenuous worker and simple liver. I know of no American or Canadian business or financial leader who is not using his great profits to extend his present industries or risking them in new enterprises, developing the country, increasing employment and adding to our prosperity. I know of many of them who are always thinking in terms of their employees and the public interest. We are hearing these days of an assessment on capital to pay debts, and the capitalist—who is just a busy business man—is pictured as a grasping, selfish miser, surrounded by and defending his money bags. There is no greater libel on modern business. He is depicted as opposing and evading the income taxes. What a libel!

"As a matter of fact one of the richest men in Canada recommended the Minister of Finance not to issue tax free bonds and to place a heavy tax on large incomes. He himself pays over 70 per cent. of his income to-day. Speaking about it recently he had no complaint to make on his own account, but regretted that such a large amount of the money he was making went to pay works in railway building and public service, instead of where his profits used to go, in developing Canadian resources. Instead of business men having money to burn, as men like Bowman think, these busy men are invariably hard up, though always looking forward to the time when they can get some pleasure out of the money they have made, but that time seldom ever comes. Successful men will never rest until they reach the graveyard."

Sterling

The Sterling Bank announces the following staff changes: C. C. Campbell, accountant at Montreal for the past few years, has been transferred to the supervisor's department, Winnipeg; J. H. E. Connell of the Fort Erie branch, has been appointed accountant at Goderich; J. K. McGuire has been appointed manager of the Adelaide St., Toronto, branch.

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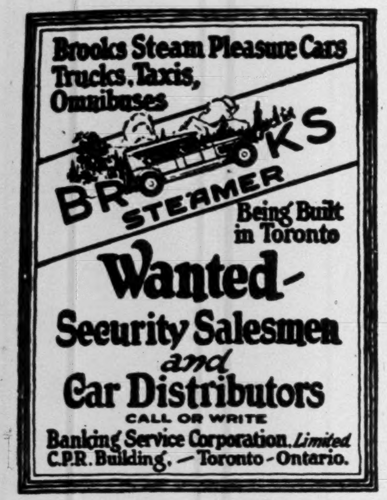
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24x60, showing Grenfell to McGarry townships, and the best part of 12 townships. Shows the new fields in the vicinity of Crown Reserve, and Katrine-Ossian districts.

Showing 3,500 claims, with all numbers, and names of principal holdings. Absolutely nothing like it on the market. Price $3.00.

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City of Edmonton
5½% Coupon Bonds
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Long term Edmonton Bonds constitute one of the most attractive municipal offerings now available. They yield an excellent return—have the security of a soundly progressive city back of them—and enjoy a wide market.

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THE STEEL COMPANY OF CANADA, LIMITED
CONSOLIDATED BALANCE SHEET AS AT DECEMBER 31st, 1922

ASSETS

COST OF WORKS owned and operated by the Company	$29,121,568 80	
INVESTMENTS in Coal, Ore and other Companies, and Company's own Bonds, including those required for Sinking Fund	4,171,203 38	$33,292,772 18
SINKING FUND ASSETS—		
In hands of Trustee		36 43
ADVANCES to Subsidiary Companies		960,678 87
CURRENT ASSETS—		
Inventories of Raw Materials and Finished Products, less Reserve	$ 5,405,702 19	
Accounts Receivable	2,503,936 01	
Bills Receivable	116,530 81	
Cash on Hand and in Banks	633,201 54	
Secured Call Loans guaranteed by Trust Companies	256,478 28	
	$8,915,848 83	
Other Securities	3,413,710 79	12,329,559 62
SECURITIES SET ASIDE FOR SPECIAL PURPOSES—		
Stock of the Company held in Trust for Employees	$ 249,110 78	
Victory Bonds deposited with Trustees for retirement of Western Coke Company Bonds	450,000 00	
Victory Bonds appropriated $300,000.00 for Employees' Pension Fund and unexpended revenue	332,022 23	1,031,133 01
DEFERRED CHARGES TO OPERATIONS—		
Insurance and other expenses paid in advance		60,465 78
		$47,674,645 89

Approved on behalf of the Board,
ROBERT HOBSON, } Directors.
R. H. McMASTER,

LIABILITIES

CAPITAL STOCK—AUTHORIZED—		
100,000 Shares at $100.00 each, Preferred 7% Cumulative	$10,000,000 00	
150,000 Shares at $100.00 each, Ordinary	15,000,000 00	
	$25,000,000 00	
ISSUED—		
64,963 Shares at $100.00 each, Preferred 7% Cumulative	$ 6,496,300 00	
115,000 Shares at $100.00 each, Ordinary	11,500,000 00	$17,996,300 00
BONDS—		
6% First Mortgage and Collateral Trust Bonds, Authorized and Issued, due July 1st, 1940	$10,000,000 00	
Less held in Treasury	1,150,000 00	
Less held in escrow for redemption of Montreal Rolling Mills Co. Bonds	500,000 00	
	$ 8,350,000 00	
Less redeemed through Sinking Fund	1,400,185 33	
	$ 6,949,814 67	
6% Bonds of the Montreal Rolling Mills Company, due May 1st, 1923	500,000 00	
5% Bonds of the Western Coke Company, due January 1st, 1924	450,000 00	$ 7,899,814 67
CURRENT LIABILITIES—		
Accounts Payable, including provision for Income tax, 1922	$ 1,868,350 42	
Bills Payable	235,333 34	
Unclaimed Dividends	3,574 75	
Preferred Dividend No. 46, payable February 1st, 1923	113,685 25	
Ordinary Dividend No. 24, payable February 1st, 1923	201,250 00	$ 2,422,193 76
EMPLOYEES' PENSION FUND APPROPRIATION		$ 332,022 23
RESERVES—		
Furnace Relining and Rebuilding Reserve	$ 588,664 74	
Reserve for Accidents to Employees	71,519 03	
Contingent Reserve	531,225 13	
Betterment and Replacement Reserve	1,842,207 08	
Fire Insurance Reserve	200,000 00	
	$ 3,233,615 98	
Bond Sinking Fund Reserve	1,460,097 40	
Depreciation Account	6,388,229 50	$11,081,942 88
SURPLUS—		
Balance as per Profit and Loss Account		7,942,372 35
		$47,674,645 89

Verified as per our report of this date.
RIDDELL, STEAD, GRAHAM & HUTCHISON, C.A.,
Auditors.
Hamilton, Ontario, 5th March, 1923.

STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED DECEMBER 31st, 1922

Manufacturing Profits for the year ended 31st December, 1922, after deducting charges for Repairs, Maintenance and providing for Income Tax, 1922, but before providing for Depreciation and Bond Interest		$ 1,962,169 24
Interest and Income from Securities and Investments		333,028 11
		$ 2,295,197 35
LESS RESERVES—		
Bond Sinking Fund	$ 237,423 09	
Depreciation	677,558 21	914,981 30
		$ 1,380,216 05
LESS INTEREST ON BONDS		476,619 68
		$ 903,596 37
LESS DIVIDENDS—		
Preferred at 7% per annum	$ 454,741 00	
Ordinary at 7% per annum	805,000 00	$ 1,259,741 00
Deficit for the year		$ 356,144 63
Balance brought forward December 31st, 1921		8,298,516 98
Balance Profit and Loss December 31st, 1922		$ 7,942,372 35

Verified as per our report of this date.
RIDDELL, STEAD, GRAHAM & HUTCHISON, C.A.,
Auditors.
Hamilton, Ontario, 5th March, 1923.

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PUBLISHED BY
THE MACLEAN PUBLISHING COMPANY, LIMITED
143-153 University Avenue, Toronto.

MONTREAL, Southam Building, 128 Bleury St., F. S. Chalmers; WINNIPEG, 810 Confederation Life Building, E. H. Hawkins; BOSTON, 734 Old South Building, C. L. Morton; NEW YORK, Room 1606, St. James Building, 1133 Broadway (Corner 26th Street), A. R. Lowe; CHICAGO, Room 1004, Federal Life Building, 168 North Michigan Boulevard. Phone Dearborn 8694; GREAT BRITAIN—London, The MacLean Co. of Great Britain, Ltd., 33 Fleet Street, E. C., E. J. Dodd, director.

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

TORONTO, MAY 4, 1923

Edited for the thinkers of the nation—those people who analyze correctly and draw proper conclusions and who are responsible for the Nation's sound thought on matters political and economic.

A CONSCIENCE TAX DOESN'T WORK

THE graduated income tax has been called one of the most equitable of all forms of taxation. No doubt it is—in theory. But it is one thing to impose a tax, and another to collect it. And this is particularly the case where every man is his own assessor.

As a matter of fact, experience in Canada is showing that when it comes to a conscience tax the average conscience is a pretty convenient affair. Take the figures published in THE FINANCIAL POST last week. Of the 290,000 persons of all classes who admitted taxable incomes in 1922, 207,000 were employees whose wages or salaries were on records available to the government. More than half the population of Canada make their living on the land, and yet less than 19,000 agarians admitted to incomes taxable under the act. Of course, it was a hard year on the agricultural class, but who will seriously advance that there are more than ten times as many wage earners in Canada as farmers whose incomes bring them under the operation of the Income Tax. Act. The fact that only 17,000 professionals and 23,000 merchants paid income taxes, would also indicate a rather broad interpretation of the act's various clauses when people make out their own tax returns.

A great deal is heard from the farmers and more from the politicians who cater to them about the tariff and other tax burdens, but the figures indicate that the wage and salary earners are really paying the levy and making no fuss about it. They and the corporations are supplying the great bulk of the tax funds to finance the country.

Canada wants a tax which will be equitable in operation as well as in theory. The income tax as it is now operating is not such a tax.

HON. MR. ROBB'S OPTIMISM

A WRITER in an English review shows from historical documents that going back for many generations the chief method adopted by German business men to overcome British competition, was by spreading false stories among the customers of the British manufacturers and in endeavoring to induce the British work people to slow up in their work.

For many years preceding the war, the Germans carried on an intensive campaign of this sort in the United Kingdom. Recently a distinguished German, in referring to one reason why Germany failed, said that they had overlooked entirely the British Colonies being a factor in the war. During the war and since they have carried on a tremendous campaign to weaken production in Canada by stirring up workers against their employers; by stirring up one section of Canada against another. Professor Scott Nearing, who recently lectured under the auspices of a Toronto University professor, thought to convince workers that they were being imposed upon. Whether Professor Nearing draws money to-day from German sources, we do not know; but we do know that he was paid by the Germans for carrying on this sort of propaganda during the war and since in the United States. The checks of payment were secured by the United States secret service.

A very interesting review of Canadian economic conditions by the Hon. Mr. Robb, our Minister of Trade and Commerce, will be found in another column. It shows the progress Canada has made. It holds out hope for vastly greater things. There is no wonder that our German competitors desire to weaken Canadian development—to prevent all sections of the country working together; to create misunderstandings with the United States and thus weaken the settlement of our country and the investment here of U. S. capital.

When we use the word "German" we are not referring to all Germans but to that section, an important section, which refuses to play the game fair. We want neither them nor their English and Scotch dupes in Canada, but we cordially welcome the real Germans, the decent Germans, the type to whom a group of Canadian war veterans are now extending a sympathetic reception.

BEGGING AS A PROFESSION

A REPRESENTATIVE of the French Political Intelligence Service, who has been working in the Near East, remarked to a member of THE POST staff recently, that begging is one of the oldest and most respectable professions in the Near East. It has the endorsement of the Greek and Armenian churches. Canada seems to be an easy mark for these collectors. Foreign begging schemes are constantly cropping up in all parts of Canada. During one week recently THE POST had enquiries from readers in the Maritime Provinces and British Columbia, as to the advisability of supporting certain claims for contributions to foreign charities. In both cases THE POST advised against them.

Schemes to aid starving Soviets are still very active but last week they received a terrific setback by an announcement from the best informed authority on Russian famine affairs, the head of the American Relief movement, who said that Russians required no further help, they were exporting large quantities of wheat themselves and that the crop outlook was extremely good.

By its numerous exposures of these foreign charitable schemes THE POST has saved Canadian business men and institutions hundreds of thousands of dollars in the past few years.

THE ONTARIO SAVINGS OFFICE

WITH over $6,000,000 of deposits, the Ontario Savings Office is well established, according to the director, M. E. McKenzie; a profit is being shown on the cost of operation, with certain of the branches on a paying basis. Certainly the showing as to deposits is a good one. However, while it would not be expected that the venture could be brought to a paying basis for some time, in view of the costs of organization, a detailed statement of profit and loss, of income and of capital and other expenditures should be given in order that the public may judge of what is being accomplished. The taxpayers of Ontario are in effect the shareholders in this government bank and they are entitled to such information as would be given to the shareholders in a private institution. Information as to rentals paid, taxes paid, etc., would also permit of comparison with the results of the banks and trust and loan companies with which the government is competing.

As a collection agency the Ontario Savings Office should be prepared to eventually justify itself on the basis of raising money for the government more cheaply than could be done by the sale of bonds in the regular way. As to whether the money thus raised is being employed in a sound manner in extending rural credits, that is entirely another matter, although in the last analysis the government will be called to account for the manner in which it employs the talents which have been entrusted to it.

IN THE PUBLIC INTEREST

FOR "people who analyze correctly and draw proper conclusions," Armour & Company have issued a pamphlet explaining effectively how "the savings and economies incident to enlarged business will benefit producers and consumers of meat," in justification of the absorption of Morris & Company.

The pamphlet gives a history of the recent developments in the packing industry in detail, showing, for instance, how the government control of the meat situation resulted in the Armour and other packing companies being stocked up with costly products, and when the control was withdrawn immense sums were lost; the losses of Armour & Company alone were $50,000,000 in a single year. It argues that the consolidation is one of self-preservation for the companies concerned; it shows the benefits to the consumer of big business in the meat industry, and it makes clear that competition is such that although the "big five" handle a large portion of the business of the country, they have no particular advantage over smaller concerns in the favorable fields which they have located. The foreword of the pamphlet reads:

> It is our belief that both producers of live stock and consumers of meat products are so vitally concerned in the welfare of the packing industry that full information regarding this important transaction should be available to them. This pamphlet is intended to serve that purpose.
>
> We feel assured that, understanding the situation confronting the packers and realizing the constructive steps which have been taken by Armour and Company to serve the public more efficiently and economically, the public will heartily approve this action.
>
> Relying upon the fairness of the American people when they know the facts, Armour and Company present in the following pages the essential details about the recent purchase of the business and physical assets of Morris & Company.

In Canada we have had steel mergers, textile mergers, paper mergers, cement mergers, bank mergers and other mergers. They have met with storms of public protest on the ground that the trusts were killing small competitors and gouging the public. The promoters of the mergers have not tried to justify their plans further than to gain enough proxies from shareholders to put their deals through. Little has been said of the public interest.

Armour & Company recognize that the public have an interest in big business—that the time has arrived when it is desirable that a merger have the approval of the public as well as the consent of the shareholders. Besides, it means orders for the company to have its plans approved, rather than condemned, by the public.

It is safe to say that the future will see a more general adoption of the Armour idea or fewer mergers.

EDITORIAL NOTES

SOME OF THE editorial writers in the public ownership press who discuss the future of Hydro in Ontario, would make good stock salesmen under the one-call system.

* * * *

THE CLEVELAND Trust Company has opened its fifty-first branch. Which is one effective answer to the question whether the branch bank idea is growing in the United States.

* * * *

NOW THAT there is a political campaign in Ontario both the Liberal and Conservative parties are trying to share with Sir Adam Beck the credit for having invented Niagara Falls.

* * * *

THE BURNING of Europe's inflated and worthless currency is suggested by that blunt Scotch-Canadian-American banker David R. Forgan, president of the National City Bank of Chicago, as the only way to remedy the financial collapse of the old world.

* * * *

"SERVICE THAT creates and maintains good-will" is the most profitable kind of bank advertising in the opinion of a leading American banker, who declares that over 75 per cent. of his new business was obtained through the recommendations of his satisfied customers.

* * * *

THE RISE in prices of a commodity is due to a present or prospective shortage of supply in relation to demand. The advance works to reduce consumption. Whether this affects individuals as such or whether it results in boycotts by organized bodies, is all the same so far as the desired economic adjustment is concerned.

* * * *

THE TALK ABOUT the millions saved to the people of Ontario by "Hydro" is all right when it refers to hydro power—not the Hydro Commission. Ontario has benefitted by Niagara Falls—not by Sir Adam Beck; in fact, the benefits would be much greater had the Chippawa development been carried out at a reasonable cost compared with the developments by private capital which Hydro has commandeered through legislative pressure. Power users have still to pay for Chippawa.

* * * *

FOLLOWING THE failure of two crops in Johnston county the Guaranty State Bank at Cleburne, Texas, has been closed after a two weeks' run. In Canada the branch bank system has sustained areas in Western Canada where there have been crop failures for several years and where unit banks would have gone under—if indeed such banks would have ever found the capital on which to establish.

Canada Should Have Say in Restoring Order in Europe

A Problem for the English-Speaking Peoples—Rhetoric and the Imperative Mood Will Not Balance a Balance Sheet.

"Rhetoric and the imperative mood will not balance a balance sheet," declared Benjamin M. Anderson, Jr., Ph. D., economist of the Chase National Bank, New York, in his address before the Empire Club in Toronto last week in emphasing that the British Empire and the United States can aid France and Germany in working out their problem precisely because they can bring a bookkeeping point of view to the problem; they can view the situation in realistic, actuarial terms.

The interest of Canada and the United States in the balancing of the books of Europe, in the restoration of proper national budgets for Germany and France and in the re-establishment of sound economic conditions, as explained by Dr. Anderson, was by no means an academic one. He through it down to a practical matter of providing a market for America's export products, and Canadians have a relatively larger interest than the people of the United States.

Dr. Anderson reasoned from the basis of supply and demand. Supply and demand under normal conditions balanced. Supply was indeed both supply and demand. In other words, a certain supply of automobiles meant this number of automobiles for sale, and it meant at the same time a certain demand for steel.

War conditions had thrown out of kilter the old balancing—that is, the proper relationship between the supply of various things. In the old days America sent raw materials to Europe and got back from Europe these raw materials in a finished shape. Then Europe became unable to manufacture raw materials, so that the raw materials became greater in number than was the demand, and prices dropped.

He used the illustration of a rubber man who in 1920 had a large supply of raw staple Egyptian cotton, and was inclined to think we should sell this. After talking it over this course was determined as the wise one. The next day the owner of the Egyptian cotton came back to say that there seemed to be about a thousand other rubber manufacturers in town, all of whom had a surplus supply of staple cotton from Egypt, who were anxious to sell. Consequently the prices were tumbling perceptibly.

The experience of the farmer was used to show the serious conditions in the United States and Canada. The farmer to-day was getting perhaps ten per cent. more for his product than in 1913. On the other hand he paid seventy per cent. more on all he bought. He paid a higher freight on the goods he sent to market, and therefore had a smaller net profit remaining for himself. On the other hand, he paid a larger freight also on the goods he bought from the central markets, and therefore he lost two ways.

Why did the ability to manufacture goods and buy materials fall off in Europe? Because Europe was playing the political game. It had not got down to a question of balance sheets as has the English-speaking world. The English-speaking world realized that in order to make headway, it must sell its goods, and was therefore ready to do everything possible to reestablish a sound condition in Europe. On the other hand, France was so near to Germany that passions, which are a good thing for certain purposes in war time, but destructive in peace, still obtained. As a result, there was in France the conflicting interests. The speaker went on:

"The best possible solution of the difficulty would be one worked out by direct negotiations between France and Germany, involving terms which both countries regarded as workable and just. . . . It is, however, extremely difficult to see how these two countries, in their present temper, can work out an adjustment unaided. . . .

"The matter is enormously complicated. There is the complication, first, of the conflict between national economic interests. It is only a flourishing Germany which could make large payments to France. In the present state of French opinion, however, a flourishing Germany would seem to jeopard gravely the political interests and political future of France. . . .

"The political complication, moreover, is far from a simple thing. If the French and German Governments were both strong governments, firmly intrenched in the confidence of the people and able to formulate and carry out wise plans looking toward long run national interests, the problem would be immensely simpler than it is. The fact is, however, that each of these governments rests on unstable and shifting domestic political foundations. Precarious majorities in the German Reichstag, or in the French Chamber of Deputies, might overturn the ministers at any time. . . .

"There has been a great deal of discussion of French motives in going into the Ruhr. Very much speculation of one or another kind has been engaged in regarding the matter. It has been thought by some that France has definitely subordinated economic to political motives, and has definitely decided that safety is more important than reparations money. . . .

"This interpretation seems to rest on a fundamental fallacy; namely, that of trying to rationalize the conduct of a weak democratic government. The unfortunate part of the whole situation seems to be that the Government of France has done things which its ablest leaders did not approve, under pressure of public sentiment, and as a means of holding the Government together.

"The more probable explanation of the French course would be something of the following. Ever since victory appeared in sight, the French Government has been saying to its people, 'The Boche will pay.' Anticipating gigantic payments from Germany, France has incurred gigantic deficits and piled debt on debt until the total has reached staggering proportions. When warning voices of conservative financiers have protested against low taxation and the high expenditures and the evergrowing public debt, the answer has always been, 'Germany will pay.' . . .

"What was the alternative that faced the French Ministry when the question of the Ruhr occupation finally came to a head? They might, on the one hand, have said to the French people, 'Germany can pay only if we give her a long moratorium, relax our demands so that her credit can be somewhat restored, give her a chance to restore her currency and her public finances, and to get her industries going on a sound basis. She will ultimately be able to pay us a good deal in instalments, but this will not help our present financial plight.' . . .

"The Ministry might have said to the French people, but, had it done so, it would have been thrown out of office immediately. Another Ministry would have taken its place which would have carried out the policy of invading the Ruhr. It seemed simpler and easier and apparently much more agreeable to the existing Ministry to go into the Ruhr, stave off for a few months the facing of the financial facts, and continue to hold office. . . .

Germany Needs Breathing Spell

"Germany has lost some population by war-time deaths and by loss of territory, but this is much more than offset by the loss of resources to sustain her population. Moreover, the loss of effective earning power is very much greater than the loss of population. The population contains a much higher proportion, than before the war, of old men maimed and mangled men, women and children. The average productive efficiency of the uninjured workers, moreover, is very substantially reduced. . . .

"The capital equipment of Germany deteriorated very greatly during the war. It is true that foreign armies did not invade German soil, but the needs of the German army were quite enough to suck the country dry of its resources. The very efficiency of the German military authorities in bringing every ounce of energy to bear upon the battle front meant that, when the final collapspe came, Germany was pretty much a hollow shell. . . .

"Even more important, however, was the derangement of organization. To an urban manufacturing and trading people, a sound social and financial organization is vital. A highly industrialized people is helpless in the face of disorganized transportation, trade, finance and money. . . .

"Instead of a gigantic conspiracy to ruin the mark, it appears that the German statesmen, who adopted the policy of unlimited printing of marks late in 1918 and early in 1919, adopted the policy reluctantly. They did it because they saw no alternative. They knew that the course of public finance which they were following led ultimately to ruin. Faced with the fact, however, that they had on their hands many millions more people than they could support with the existing output of German industry and agriculture, feeling that it was necessary somehow or other to keep them alive, they turned to the one asset which they had left; namely, the credit of the Reichsbank with the outside world. As long as the outside world would buy marks, they could keep their people alive. If men were unemployed, they could put they on a public payroll, paying them with marks. They hoped that, before the finances of Germany and the Reichsbank were utterly ruined, something might turn up outside, that a change might take place in the spirit of their conquerors, and that better expedients might be available to them. . . .

"The peoples of the British Empire and the United States, who have important trade relations with Germany and whose own prosperity is, in part, bound up in German activity and revival, have a right to speak and to assert those economic interests."

The speaker maintained that the idea of "productive guaranties" is a fallacy, and said that it would be virtually impossible for France to make real profits in operating the Ruhr industries with reluctant German labor. He contended that any settlement reached must provide real security for France, and added that intervention by the British Empire and the United States would be justified only if these countries were prepared to lend real aid in bringing about a comprehensive settlement of all the main issues: a settlement which would involve the interallied debts, international trade policy, and financial aid to the continent in consideration of drastic financial and currency reforms on the continent. He expressed the opinion that the issue is critical and that Germany is nearing the end of her rope. The world may easily have a starving people on its hands if pressure on Germany is not soon relaxed.

Miss Hinds' Reliable Crop Service Again Available to "Post" Readers

The crop reports of the Manitoba Free Press, prepared by Miss E. Cora Hind, based on information secured by personal inspection and through the co-operation of hundreds of correspondents in all parts of Western Canada, are generally accepted as more prompt and more dependable than those of the provincial or federal governments. For several years readers of THE FINANCIAL POST have had the benefit of a Western crop service specially prepared by Miss Hind for the financial, commercial and industrial community.

Miss Hind's special crop service will again be available to readers of THE FINANCIAL POST this year.

Following are extracts from a recent statement by the Manitoba Free Press emphasising the accuracy of Miss Hind's forecasts as compared with the government estimates:

> Crop estimating and final out-turns are being discussed these days. It is quite apparent that the figures given out by the Dominion Bureau of Statistics are again wide of the mark.
>
> According to these Dominion authorities, in their final estimate of January 19, 1923, the production of wheat in Manitoba was given as 60,051,000 bushels, from 3,125,556 acres. Up to the week ending April 7, the farmers of Manitoba had actually marketed 65,940,254 bushels. In addition to this the farmers undoubtedly have still on the farms their requirements for the spring's seed, which, if the acreage is the same as last year, will amount to a little over six million bushels.
>
> The Free Press estimate last September was given at 71,258,000 bushels for Manitoba, and these figures now appear to be very conservative.
>
> For Saskatchewan, the Dominion Bureau of Statistics placed the wheat production at 250,167,000. Of this amount the farmers have already marketed, up to April 7, 157,784,139 bushels. This would leave approximately 92,000,000 bushels still on the farms of Saskatchewan, of which 25,940,000 bushels will be required for seed, and still leaving over 66,000,000 bushels yet to be marketed. The Free Press estimate for Saskatchewan was given at 226,975,000, which, after taking seed requirements into consideration, would leave about 43,000,000 bushels yet to be marketed. Whether these last figures are correct or not will not be known until final out-turns have been made, but managers of line elevator companies appear to think that the Free Press figures were a little on the high side, but if so, the figures given by Dominion authorities are considerably higher and therefore, wider of the mark.
>
> The total production of wheat in Alberta was given by the Dominion Bureau of Statistics on January 19 last, as 64,976,000 bushels. The actual marketings up to April 7 were 63,068,639. Seed requirements, based on last year's acreage, will be 10,524,000 bushels, which is still on the farms of the province, and will make a total of 73,598,639 bushels. The Free Press estimate given last fall for Alberta was 73,668,000 bushels.

THE REWARD OF PRUDENCE

Edmonton Bulletin

The Provincial Government have disposed of an issue of $3,000,000 worth of bonds, at a price equivalent to $96.16 per hundred, the rate of interest being 5 per cent. The cost to the Province for the money derived from these twenty-year securities will thus be 5.31 per cent. This is identical with the price obtained at the January sale, for a like amount of bonds. The proceeds of the present sale will be used to meet maturing obligations, and the issue does not represent the creation of a new bonded debt. The Province is apparently still enjoying the confidence among investors that was built up in past years by keeping the expenditure well within income.

Personals

NORMAN C. MAYNARD, for 23 years associated with Ryrie Bros. firm, has resigned to assume the presidency of a concern he organized two years ago and which is engaged in industrial garnet mining.

F. G. MORLEY, who has acted as secretary-treasurer for the Ontario Associated Boards of Trade and Chambers of Commerce since its organization, has resigned his position, and Thomas Marshall, traffic manager of the Toronto Board of Trade, has been appointed to succeed Mr. Morley.

G. T. WILSON, Canadian manager of Messrs. Welsh, Margetson and Co., shirt and collar manufacturers of London, is now in Western Canada, and upon his return to Toronto, will visit England. Mr. Wilson is president of the Association of British Manufacturers in Toronto.

H. R. POUSSETTE, director of the Commercial Intelligence Service of the Department of Trade and Commerce, attended the New Orleans convention of the Foreign Trade Council on the 29th of April. Mr. Poussette was accompanied by Frederick Hudd, Canadian Trade Commissioner in the United States.

WALTER W. HUTTON, who has been appointed manager of the British Columbia division of the Sun Life Insurance Company, has had a thorough training in insurance field work. On graduating from Toronto University in political science he entered newspaper work, after which he joined the staff of the Federal Life Insurance Company. When this company was taken over by the Sun Life, he remained with the latter company.

WILLIAM A. BURNHAM, of Irvington-on-the-Hudson, whose death occurred last week, was president of the Lord and Burnham Company, manufacturers of greenhouses and greenhouse equipment and of Lord and Burnham, Ltd., the Canadian organization. He was prominent also as a banker and at the time of his death was a director of the Irvington National Bank, the Weschester Savings Bank and the Tarrytown National Bank.

HECTOR M. FORBES, who has been appointed manager of the estate department of the Toronto General Trusts Corporation with headquarters in Toronto, has completed nearly 25 years of consecutive service with that company. Before entering the company's service as an insurance clerk in 1898, he was in business in Halifax, where he was born. In May, 1917 he was sent to British Columbia as manager, and since that time he has built up a wide circle of friends in that province. He has taken an active interest in civic movements for social and business improvement. He was chairman last year of the insurance, financial and real estate bureau of the Board of Trade, and a member of the council, and has been member of the executive of the Mortgage and Trust Companies Association for several years.

KEEP INCOMING FUNDS WORKING

Heavy payments by way of interest are now being received by holders of Victory Bonds throughout Canada. The total of such payments, it is estimated, amounts to over $40,000,000. In addition to this, there are other dividend and interest payments amounting to $10,000,000, or making in all disbursements of around $50,000,000 during the first few days of May.

It is vitally important that these funds be kept constantly at work. The holder of uninvested funds can serve both himself and the nation by putting these funds promptly to work.

We have selected the following securities as representative of our May list and as forming ideal investments for such funds.

Security	Due	Yield
DOMINION OF CANADA War and Victory Loan	All Maturities	Market
DOMINION OF CANADA Guaranteeing C.N.R. 3½% Deb. Stock	1958	5.10%
PROVINCE OF ONTARIO 5½% Bonds	1937	5.10%
CITY OF TORONTO 5% Bonds	1943-53	5.10%
CITY OF QUEBEC TECHNICAL SCHOOLS 4% Bonds	1950	5.10%
PROVINCE OF ONTARIO 5½% Bonds	1942	5.12%
CITY OF MONTREAL 3½% Bonds	1939	5.15%
PROVINCE OF ALBERTA 5% Bonds	1948	5.20%
CITY OF TORONTO 6% Bonds	1950	5.20%
TOWN OF BRAMPTON 5½% Bonds	1924-53	5.20%
ST. MAURICE POWER COMPANY, LTD. 6½% Bonds	1953	6.30%
DOMINION OF CANADA Guaranteeing C.N.R. 6½% Deb. Stock	1946	5.35%
TOWN OF SHAWINIGAN FALLS P.Q. 4½% Bonds	1963	5.35%
TOWN OF TRENTON 5½% Bonds	1924, 1943	5.35%
DOMINION OF CANADA Guaranteeing C.N.R. 7% Deb. Stock	1940	5.40%
OGILVY REALTY CORPORATION 6½% Bonds	1952	6.43%
CITY OF EDMONTON 5½% Bonds	1947	5.60%

In addition to the above we have a wide selection of bonds of some of Canada's representative cities, towns, rural municipalities, and an attractive list of odd lot bonds, some of which yield as high as 7%.

We shall be glad to forward copy of our May List on request.

INQUIRIES INVITED

A. E. AMES & CO.

Investment Securities.

UNION BANK BLDG. . . . TORONTO
TRANSPORTATION BLDG. MONTREAL
74 BROADWAY . . . . . NEW YORK
BELMONT HOUSE . VICTORIA, B.C.
HARRIS TRUST BLDG. . . CHICAGO

Established 1889.

Members of Toronto and Montreal Stock Exchanges

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

RIORDON COMPANIES

L. E., Hamilton.—Would like your opinion of Riordon.

Negotiations are still in progress looking to a reorganization of the Riordon companies. Stockholders in the old companies are likely to be given rights to subscribe to new securities on what are stated to be favorable terms. But the reorganization still lacks definiteness though an announcement may be expected soon.

PEACE RIVER PETROLEUM

G. W., Hamilton.—Would like your opinion of Peace River Petroleum.

The stock of Peace River Petroleum Company may be considered to have no value whatever for the company has gone into liquidation. Practically all of the money that was raised went into the first equipment for drilling and after the money in the treasury was exhausted it was impossible to sell sufficient new stock to carry on operations. If ever the oil fields of Northern Alberta are developed it will be by stronger concerns with a large amount of capital at their command. The Trusts and Guarantee Company has the matter in hand. For the present the ultimate fate of the concern is in doubt.

ONTARIO SMELTERS

Reader, Weirstead.—I would like to know your opinion of Ontario Smelters and Refiners. I bought a $100 1st mortgage, 7% gold bond. The company paid the interest for one year and a half and then notified me that they were unable to pay. Could I redeem it now or would it be advisable to wait and is the bond a sound investment?

The affairs of the Ontario Smelters and Refiners, Limited, are in the hands of the Trusts and Guaranty Company of Toronto. The company made an assignment and it is understood that the trust company have not yet succeeded in finding a purchaser for the property. There is little chance of your selling the bond. All you can do is to hold it. If the property is sold you may then realize something.

LORRAINE CONSOLIDATED

E. G., Dartmouth—Will you please kindly give me your opinion on the Lorrain Consolidated Mines? I understand that the same has been financed and is now under operation.

Lorraine Consolidated is located in South Lorraine and came to life following great finds on the Keeley and Mining Corporation holdings. It is reported to have been financed in New York, a block of stock selling at 42c. An engineer is now in charge of the property. The holdings of this concern are on the East side of the main break carrying the famous Woods' vein. The dip is to the west. To the east is said to be shallow diabase carrying values only about 200 feet from the break. The history of the Wettlaufer is quoted as an evidence of this. It will be noted that the main activity in the camp is to the west of this break. Properties to the west of the break are considered to have the best chance.

DOME MINES

Reader, Fredericton—Will you kindly give me an expression of your views on the possibilities of Dome Mines? I purchased a quantity of this stock recently at 42½ and I have been given to understand that the company's annual statement for year ending March 31, showed a considerable appreciation in profits as compared with the previous year. Is there, in your opinion, any likelihood of the dividend being increased?

It has been announced that in July Dome stock will be split. Stockholders will get 4 new for one old. The present par value is $10 less $1 returned in 1921. The new stock will have no par value. The recent financial statement showed a dividend assurance item of $1,026,839. This is being accumulated and the proposal is to pay $1 per annum per share. This plan will undoubtedly go through unless something unforeseen happens. Some brokers are making great predictions that the stock will go much higher.

INVESTING $2,000

J. W., New Brunswick.—I have at present $2,000 to invest. Would you advise me of the best way to invest this so that I might get my money at any time that I would care to have it?

To invest your money so as to have it returned to you promptly at any time without loss of principal and with a fair interest return in the meantime makes it almost necessary to buy Dominion Government or other high class bonds. Bonds quoted regularly on the recognized stock exchanges can be followed from day to day as to their market value. These also include industrial bonds, but these naturally have a tendency to fluctuate more widely than government bonds.

In the issues of THE FINANCIAL POST of the 20th and 27th, on page 10, you will find some interesting suggestions for the investment of money to obtain 7%. However, you will realize that in most of these suggestions, while you would be getting a good return with reasonable security you might have to make a sacrifice under unfavorable conditions to get your money immediately.

WESTERN GROCERS

P. J., Saskatchewan.—We would be obliged if you will let us know what you think of the preferred stock of Western Grocers, Ltd., as an investment at the price of $60.

The restricted purchasing power of the West acted adversely on the trade of Western Grocers during 1922, as the annual report, issued in March, showed profits for the year of $140,305 as compared with $169,783. There was a balance forward of $38,049, and the preferred dviidends called for the distribution of $167,202 of this, or $27,000 more than earned after depreciation, taxes, bad debts, etc., had been cared for. Surplus account and reserve stand at $154,271, Behind the stock are assets given at $7,973,000. The current assets include investments $1,096,000, while the total of current or working assets, totalling $3,638,000, was $100,000 below 1921. Goodwill and trade marks stand unchanged at $3,111,000. Among the liabilities is found bank loans, $1,798,000, while other trade liabilities reach $415,000. The business of the company is wrapped up in the progress of the West. The management have been conservative and careful. Inventories were well written down early in the period of depression. The preferred stock may be considered a fair business man's investment.

MACKENZIE OIL

R., Toronto.—I have been endeavoring to get some definite information about MacKenzie River Oil Company, but so far have not succeeded. It is rumored that most of their assets have been taken over by Imperial Oil. If this is so are not stockholders entitled to information regarding the company's finances, sales, transfers, etc.? Can you get at the bottom of this company and let the public, who are interested financially, know what has taken place?

MacKenzie River Oil Co. has not sold its assets to the Imperial Oil or anyone else. It still has its original holdings with others since acquired. In regard to its Fort Norman activities, F. E. Davidson, general manager, states that his company and the Imperial are the only ones that have retained their holdings, the other smaller companies finding it impossible to hang on in face of the stringent regulations. The leases of the MacKenzie company have now been extended until 1924. The company's property in this area is standing idle, awaiting the results of the two wells which the Imperial company is sinking. Mr. Davidson says it will likely be the last of May or early in June before information will be received. In the meantime, the company have been adding to their holdings in other prospective Western oil fields. Wherever there have been promising signs that oil might be found and drilling operations have been undertaken the company had made it a point to acquire leases. Mr. Davidson says the position of the company is fairly good. No stock has been sold for some time, the directors taking the stand that until the outlook is more favorable, they, themselves, would rather carry the company along. This has been done. In regard to the fact that no report was sent to the shareholders on recent activities, he explained that it was the desire, in face of the stringent regulations laid down at Ottawa, to avoid all stir and publicity until matters righted themselves.

Advice to a Trustee

T. J. L., London.—In March 1919 you gave me some sound advice about Canadian Pacific Railway shares, Civic Investment and industrial shares. I was at that time and am still interested in the above stocks as a trustee. Our list of stocks now stand as follows and I would feel much obliged if you will kindly give me your opinion on the list, as to whether I should dispose of some and add to others and the standing of these stocks as a trustee investment. The list is as follows: $4,000 Canadian Pacific Railway, 6% notes; 203 shares Canadian Pacific com.; 70 Canada Cement com.; 80 Montreal Light, Heat & Power Cons.; 200 Brompton Pulp & Paper com.; 110 Steel of Canada com.; 20 B. E. Steel com.; 47 B. E. Steel 2nd pfd., and 50 Bank of Montreal. Most of the above shares were bought in 1919 and 1920 except Canadian Pacific which were bought years ago at an average of $175 per share.

The recent upward movement in Canadian Pacific Railway stock was due to a development of interest in the security from many different investment centres. Canadian investors, American investors, and British investors have all been buying C. P. R. stock recently. This is due to a recognition of the exceptionally strong liquid position of the railroad. It is entering a period that most observers feel will be one of considerable prosperity for Canada, with its financial resources so conserved and organized that it will benefit from every evidence of Canadian growth. The political situation as regards C. P. R. is very much improved and there seems to be a feeling among the leading men of Canada that Canadian Pacific should be allowed to earn its dividend without restrictive legislation. Interest rates throughout the world seem to be declining slowly and this will have a tendency to improve the market for C. P. R. common stock, especially in view of the fact that the substantial holdings are in Great Britain where interest rates are on a lower level than in Canada. We see no reason why you should consider marketing this stock at the present time. On the other hand it is likely to show considerable appreciation in value as time goes.

As you have observed, Montreal Light, Heat and Power Consolidated stock have shown a very considerable appreciation in market value during the past year. In fact over a long term of years the stock has shown almost a continuous rise upwards. This has followed a natural and consistent growth both in the gross earnings of the company and the rate per cent. earned upon the shares. The yield on the stock at the present market level is so low that obviously some other return is sought by the investor who purchases it. This is not in any prospect of an early increase in the dividend rate for the dividend was only increased a few months ago. Any higher return to the investor must come in appreciation in market value rather than in a dividend paid. As the community of Montreal grows the field for service for the company will grow and the large amount of earnings that have been put back into capital improvements will earn further dividends for the stock holders. Considering its past record one is justified in having considerable faith in the future of Montreal Power. For the ordinary holder of securities the advice would probably be to hold it, but for a trust account the trustee might be justified in feeling that the present yield is too low and reinvesting the very excellent proceeds that could be had from a sale at present market prices in other types of securities. But this is a matter of individual choice.

Brompton Pulp & Paper common has probably seen its most depressing days and fundamental conditions in the pulp and paper industry are such in Canada as to give promise that the earnings of the company available for the common stock will increase in the future. There has been much talk of an early resumption of dividends on common stock but frankly the outlook is not at all favorable to this. While a little over 5% was earned on the common during the last fiscal year and a higher rate should be earned during the present year there are still arrears to be paid on the preferred and common dividends seem out of the question for some time yet. The price of the common stock has discounted a good deal of the improvement in the company's position which represents probably its present value and prospects, pretty accurately. Brompton common is not the best type of security for a trustee investment though offering speculative opportunities on a long hold. There is no immediate necessity of selling, but if it is your policy to gradually strengthen this list of holdings the security might be sold at a favorable opportunity.

The consumption of cement in Canada has been only about 15% of normal during the past three years or so and this has affected the operations and profits of Canada Cement Co. It has been impossible to operate the plants at full capacity. The president of the company in his annual report did not attempt to prophesy any considerable improvement during the present year. Much depends upon the development of Canada and the amount of new building that goes ahead. The present dividend of 6% was just earned during 1922 after allowances for depreciation and reserves and there is every reason to believe that the dividend will be more than earned this year. The improvement in the market price of the stock has been considerable this year and if Canada gets into a period of prosperity, such as experienced before the war, Canada Cement should reflect it in its earnings and in the market value of the stock.

Steel of Canada is another security that has not been earning its full dividend and which has suffered from the depression in business generally. Substantial orders from railways and other sources have improved the situation as far as Steel Company is concerned and the tendency is likely to be towards further improvement. The security is not a very good one for a trustee investment, altogether apart from the considerations that enter into a legal trustee security. The steel industry is subject to wide fluctuations of depression and prosperity despite the fact that it is a basic industry and this factor removes the common stock even of such a stable concern as Steel Company of Canada from the category of the best investment. This applies much more forcibly in the case of the British Empire Steel Corp. common and second preferred stocks that you hold. Conditions at the British Empire Steel plants are not such as to indicate that any great improvement will occur soon in the condition of either of these two securities. There are so many securities much ahead of both that capacity output and widespread prosperity are essential to the definite betterment of their investment qualities. They, like some of the other securities you hold, are more likely to improve than otherwise but the degree of improvement that may be expected is so nebulous an affair that it might not be considered advisable to hold them as an investment in a trust fund.

The notes of the Canadian Pacific Railway you hold are, we presume, the ones that are due in 1924. Perhaps you know that these have been recalled for redemption in July of this year by the railway.

A general strengthening of the entire list might come from the elimination of some of the weaker and more speculative securities such as Brompton, British Empire Steel Corp. and the reinvestment of the proceeds along with the funds that will become available from a retirement of the C. P. R. notes in securities that are more definitely in the investment class.

Bank stocks have always been highly regarded in investment circles in Canada despite the double liability and in this class the Bank of Montreal stands very high. There may be some fluctuations in the market price as a reflection of the change in investment values but we regard the dividend as secure and the future of the institution assured. Many suggestions including some of a radical character for changes in the Canadian banking system are being heard in connection with the periodical revision of the Bank Act at Ottawa. However, the attitude of the government at the amendments which have been brought down indicate only minor changes to the prevailing conditions rather than anything fundamental in relation to the system. The only danger we could possible foresee in this connection would be a political upheaval and even then experience has shown that the progressives are much more sane in their government than they are in opposition.

We are not closely in touch with the situation regarding British Columbia Electric Railway. As in many other cities in Canada there has been difficulty regarding fares charged under the franchise and the company has had a serious problem to work out in view of the marked increase in the cost of rendering service. However, recently there has been a more reasonable attitude on the part of the public and their representatives.

CURRENT OPINIONS

SOMETHING TO GUARD AGAINST

Manitoba Free Press

A Minneapolis financial publication, giving a digest of the recent rural credits legislation by the U. S. congress, which was summarized in a recent issue of the Free Press, adds this observation:

"The presidents of the farm land banks met in conference at Washington immediately after the passage of the bill, and according to all indications the intermediate credit banks will be set up at once. As reiterated by Secretary Mellon, a weakness of this legislation is that it requires the government to go into the banking business. The federal farm loan system, whose duties have hitherto been confined to handling long time loans on farm property, is now placed squarely in the commercial banking business on a conceivably very large scale."

We do not think there are many who want to see the Dominion government driven into commercial banking, as the U. S. government has been, by the force of a political movement not to be resisted. That is why it is important that this question of supplying agricultural credits through ordinary banking agencies should not be ignored, as a matter of no public concern, by the banking and commerce committee now engaged at Ottawa in the consideration of the Bank Act.

ACCOUNTANTS AND BANK AUDITORS

Regina Leader

The federal government is to be congratulated on withdrawing from its proposed amendments to the banking law the provision limiting bank auditors to chartered accountants who have practised for at least six years in a city having a head office of a Canadian bank. So far as we are aware, The Morning Leader and The Saskatoon Phoenix were the only newspapers in Canada to protest against this palpable injustice to the chartered accountants outside of the seven cities in which there are head offices of chartered banks. This protest was supported before the House of Commons committee on banking and commerce by Mr. H. O. Powell, general manager of the Weyburn Security Bank, although his own city was one of the seven favored by the proposed amendment; and the Hon. Mr. Fielding announced the intention of the government to withdraw the proposal and permit all accountants who are members of an organization recognized by the federal parliament or a provincial legislature to be nominated for bank auditors. What the banks require is thoroughly qualified auditors. These are not all to be found in any one city or small group of cities in Canada.

ASE INVESTMENT-SERVICE

We offer

Drummond Investment Co., Limited

6½%
First (Closed)
Mortgage 15-Year Gold Bonds

Due May 1, 1938.

Security—

Land and Apartment Buildings in the heart of Montreal's fashionable residential and shopping district, conservatively valued at $2,000 for every $1,000 of Bonds issued.

Price:
99 and Interest
Yield over 6.60%

Write for full particulars.

Royal Securities
Corporation, Limited
164 St. James Street
MONTREAL

Drummond Apartment Bonds

to yield over 6.60%

The Drummond Apartments, in the permanent centre of Montreal, will take rank as the largest building of the kind.

Land and buildings at outset will represent values of $2000 for every $1000 bond. Security will be steadily increased by sinking fund.

Interest is paid by coupons and the securities have a ready marketability.

We recommend these 6½% First Mortgage Gold Bonds maturing in 15 years, at 99 and accrued interest.

Write for Prospectus 4

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You Can Get High Interest

from bonds guaranteed by Canadian Provinces. For example, we are offering Town of Timmins Roman Catholic School Board 5½ per cent. Bonds, unconditionally guaranteed as to principal and interest by the Province of Ontario, to yield 5.30 per cent. Insofar as ultimate security is concerned, they rank the same as Province of Ontario bonds.

Purchasers may obtain bonds due in any year from 1924 to 1943, according to requirements.

Write for full particulars.

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Telephone: Main 4280

Montreal
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Members of the Montreal Stock Exchange

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beg to announce that in future the firm will be known as

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and that it has removed to more commodious premises in the

Toronto General Trusts Building
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We Offer
Woods Manufacturing Co.
Limited
1st Mortgage 6% Sinking Fund Bonds
DATED 1st APRIL, 1923 DUE 1st APRIL, 1943

Interest payable 1st April and 1st October
Principal and interest payable in Montreal, Toronto, Ottawa and Winnipeg.
Denominations: $1,000 $500

Coupon bonds registerable as to principal or fully registered bonds interchangeable.
Annual net earnings for the past seven years averaged 8.93 times annual interest charges on bonds presently outstanding.
As of 31st December, 1922, after giving effect to this financing, net tangible assets were $4,476 for each $1,000 bonds of this issue.

PRICE:
98½ AND ACCRUED INTEREST TO YIELD **6⅛%**

Write or telephone for descriptive circular.

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Canadian Security Quotations in New York

We have prepared for distribution a comprehensive booklet, embracing the various Canadian Government, Municipal, Public Utilities and Industrial Bonds traded in on the New York Market.

This booklet gives the approximate markets yield, and Moody's rating.

We shall be pleased to mail a copy upon request.

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Government, Municipal and Corporation Bonds.
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THE NATIONS OIL REFINERIES LIMITED
Formerly Red Star Refineries, Limited
Refinery under construction at Montreal East, P.Q.
HEAD OFFICE — CANADA CEMENT BUILDING — MONTREAL

HOTEL OPPORTUNITY

This Town is the County Seat of the District of Temiskaming and is the residential and commercial center of a District vast in extent and one of the richest in the world in its natural resources. HAILEYBURY is its geographical center and its linking-up point with outside railway communication.

HAILEYBURY supported three HOTELS before its destruction by fire and now presents an opportunity to the proper people which is beyond doubt a REAL BUSINESS OPPORTUNITY. A modern well equipped seventy-five roomed HOTEL would be a money maker from the day of its opening.

For further particulars address G. F. Summers, Mayor.

HAILEYBURY

NEWS AND VIEWS ABOUT BONDS

LOWER PRICES ON BONDS PREDICTED FOR NEW ISSUES

Short Term Bonds Scarce; Unsold Balances Being Offered.

The bond market is in a difficult position to estimate its future course. Considering underlying conditions, many expect some recessions from the present levels. The rates on call money show a tendency to advance, and loans made at 5 and 5¼ per cent. are being renewed in some cases at 5½ and 6 per cent. While mortgage rates show some softness, it must be remembered that the present activity in building and real estate bears no resemblance to a boom. Houses are selling freely but at lower prices than last year. It is clear that it will take some time for building to catch up with the demand. Hence plenty of applications for loans may be expected and it is unlikely that mortgage rates will go much below those prevailing at present. As the spread between bond rate and the mortgage rate is now nearly two points, any advance in bond prices is practically eliminated.

Bonds are firm in London but sterling is not as yet sufficiently advanced to make it profitable to transfer funds to Canada in any appreciable quantity for investment. Bonds are not showing any marked strength in New York, and it is not conceded by shrewd financiers that the Canadian market can break away and direct its own movements.

In spite of the consideration bond dealers report a scarcity of bonds, especially short term obligations. Small balances of issues brought out previously are being sold in the absence of sufficient new issues. Many bids were received by municipalities offering their bonds during the week, and the prices offered were close.

Montreal Roman Catholic School bonds, amounting to $1,500,000, bearing interest at 5 per cent. and repayable May 1, 1943, were awarded to a syndicate composed of R. T. Leclerc & Company, A. E. Ames & Company and Hanson Brothers, at 98.27, a cost basis of 5.14 per cent. The issue is for refunding purposes. Alternative bids on the basis of interest rates of 5 and 5½ per cent. were called. Bids were as follows:

	5 p. c. basis	5½ p. c. basis
R. T. Leclerc & Co., A. E. Ames & Co., Hanson Bros.	98.27	
Wood, Gundy & Co., and Beaubien & Co.	97.787	102.11
Matthews & Co. and United Financial Corp.	96.11	
Dominion Sec. Corp.	96.03	101.43
A. Jarvis & Co.	95.85	
Gairdner, Clarke & Co. and McLeod, Young, Weir & Co.	95.432	101.232
Credit Canadien Corp.	95.41	

The town of Yarmouth, N. S., sold an issue of $380,000, 5 per cent. bonds to a syndicate composed of the Royal Securities Corporation and Johnston and Ward, at 96.20. The bonds run for 25 years and at the price quoted the money costs the town 5.275 per cent. The bids were:

Royal Securities Corp. and Johnston & Ward	96.20
Dominion Securities Corp.	95.65
Gairdner, Clarke & Co.	95.532
A. E. Ames & Co.	95.33
Wood, Gundy & Co.	95.28
McLeod, Young, Weir & Co.	95.07
A. Jarvis & Co.	92.31

An issue of County of Welland bonds, amounting to $100,000, bearing interest at 5½ per cent., and repayable in ten instalments, was awarded yesterday to R. C. Matthews & Company at a price of 100.772, equivalent to a cost basis of 5.35 per cent.

The bids were:

R. C. Matthews & Co.	100.772
Bell, Gouinlock & Co.	100.53
Gairdner, Clarke & Co.	100.432
McLeod, Young, Weir & Co.	100.47
Macneill, Graham & Co.	100.37
Dominion Securities Corp.	100.337
Wood, Gundy & Co.	100.328
Bain, Snowball & Co.	100.18
A. D. Morrow & Co.	100.15
A. E. Ames & Co.	100.13
Municipal Bankers Corp.	99.92
A. Jarvis & Co.	99.86

An issue of $100,000 5½ per cent. bonds, maturing in 30 years, were sold by the city of Hull School Commission to Matthews & Co. at 100.87. The tenders submitted were:

Matthews & Co.	100.87
Wood; Gundy & Co.	100.69
Gairdner, Clarke & Co.	100.43
McLeod, Young, Weir & Co.	99.67
A. Jarvis & Co.	98.13

The city of Sault Ste. Marie disposed of $40,500 of city debentures to Wood, Gundy & Co. at a price of 101.268 per $100, which it is stated, compares favorably with the prices being obtained by Eastern cities.

The bids submitted were:

Wood, Gundy & Co.	101.268
Municipal Bankers' Corp.	100.73
A. E. Ames & Co.	100.64
Bell, Gouinlock & Co.	100.57
Bain, Snowball & Co.	100.53
MacKay-MacKay	99.50
Gairdner, Clarke & Co.	99.37
McLeod, Young, Weir & Co.	98.67
Bird, Harris & Co.	98.31
A. Jarvis & Co.	98.08
C. H. Burgess & Co.	98.06

BLUE SKY LAW FOR QUEBEC

Quebec may soon have a Blue Sky Law. A demand for such a measure was recently formulated at a Montreal Board of Trade meeting, the feeling being that some means should be found to protect the public from fraudulent and worthless promotions, several of which, it was stated, have been recently exposed. It was decided to ask the legislature to give the proposal consideration.

APRIL BOND SALES

Bond sales for the month of April amounting $18,218,469 were smaller than the total for any previous month of the present year. Of the total $15,218,469 was raised in Canada and $3,000,000 in the United States. For the first four months of the year the sales amounted to $156,478,034. Following is a list of the sales:

April Bond Sale

	$
Government	
Provincial	10,500,000
Municipal	4,493,469
Corporation	3,225,000
Railway	
Total for April	$ 18,218,469

Where Sold

In Canada—	
Provincial	7,500,000
Municipal	4,493,469
Corporation	3,225,000
	$ 15,218,469
In United States—	
Provincial	$ 3,000,000

Year to Date

January	$ 37,890,162
February	76,759,746
March	23,609,657
April	18,218,469
Total	$156,478,034

BOND MEN OPPOSE CHANGING CONTROL OF ONTARIO HYDRO

Cannot Change Liability on Bonds Already Issued.

Repeated suggestions that the control of Hydro in Ontario be taken out of the hands of the provincial government and given to the municipalities are not regarded as serious by bond men. They point out that the project is a large one and the whole basis of its completion is credit. It is clear that the credit being used is that of the province, not the municipalities. The prices at which the bonds were issued and sell on the market are the most potent indication of this. Buyers of bonds regard the resources of the province as sufficient to take care of the outstanding obligations, but, it is stated, the debts of the municipalities are already large without including the Hydro obligations. If any material increase in these is brought about, it is doubtful if they will sell at the prevailing levels. Moreover, in issuing Hydro bonds on the credit of the municipalities, it would be difficult to place any definite responsibility for the payment of interest and the repayment of principal, and bondholders would have no specific avenue for action in case of a default. Under such conditions, dealers say it would be difficult to sell the bonds to investors.

A well-known financial man points out that the Hydro bonds already issued bear the guarantee of the province and any attempt to withdraw the guarantee would be out of the question. Moreover, he asserts, it would be suicidal for any government to relinquish control of an enterprise which it had financed by the issue of its own bonds totalling millions of dollars, which would still remain as a liability of the province.

The attitude taken by another bond man is that municipalities, as such, are interested not so much in the development of the central generating plants as in securing adequate connections for a supply for their particular requirements. Placing control in the hands of their representatives would, he argued, open the way for wire pulling, placing the emphasis on the development of distribution facilities rather than the production of power, and pave the way for a dissolution of the enterprise as a self-sustaining entity, resulting ultimately in heavy losses for the province, or the bondholders, or both.

INVESTING $5,000

THE FINANCIAL POST'S request for suggestions for investments for a $5,000 fund on a basis to return 7 per cent., brings the following recommendations from the Canadian Debentures Corporation, it having been assumed that the investor holds a certain number of Victory and municipal bonds:

Security	Cost	Return
$1,000 Wayagamack Pulp & Paper 6% bonds at 87	$ 870	7.05%
1,000 Northern Ontario Light & Power 6% First Mortgage bonds at 93	930	7.15%
$1,000 Canadian Paperboard Co., Ltd., 7% First Mortgage bonds at 100	1,000	7.00%
$1,000 Canada Salt First Mortgage bonds at 96	960	6.50%
10 shares Bell Telephone Company 8% Stock at market	1,215	6.61%

TAX CONFERENCE CONSIDERS MANY TAXATION EVILS

Movement for Unification of Systems for Collecting Taxes Begun.

A marked advance in the study of taxation in Canada was made in the planning of the first annual convention of the Canadian tax conference which was held in Toronto during the past week. Many of the evils prevailing in our present day taxation and the difficulties of many municipalities are attributed to lack of wide study of the problems involved. Hitherto the chief considerations have been that of securing revenue in the most convenient way. The Citizens' Research Institute, under the direction of Dr. H. L. Brittan, has taken up the question from the standpoint of protecting the citizens from unfair and discriminating taxation.

The attendance at the conference was not large but representatives from all over the country attended. Those interested believe that the plan of bringing men together to give consideration in an organized way to taxation problems will result in material advances.

A number of papers by taxation students were read. These will be printed and distributed at cost to members of the Institute. One, dealing with the sources of revenue in the province of British Columbia, was given by Professor S. E. Beckett of the University of British Columbia, and a similar one on New Brunswick taxation, by Dr. W. C. Kurstead of Fredericton.

A paper on various forms of Dominion taxation by Mr. H. R. Kemp, dealt with the burden of taxation today and the consideration of when each tax ultimately falls. He drew a picture of the average family of five paying $250 a year for the cost of maintaining the Dominion and provincial governments, irrespective of municipal bodies. Commenting further on the heavy taxation he said:

> "This is not surprising when we remember that we are half a continent; that with little more than the population of Greater London, we are maintaining ten legislatures, with more than 750 legislators (to say nothing of the Senate) as well as all the administrative machinery connected with them."

Some interesting details of the advances made in taxation methods in the province of Quebec were given by the two representatives of that province, Oscar Morin, deputy minister of municipal affairs, and J. A. Begin, comptroller of the revenue branch. The only income tax levied in the province is that of the Dominion Government, as the province and the municipalities have not, as yet, found it necessary to levy such a tax.

The Quebec Government now has a municipal branch to which the municipalities are financially responsible. All payments on account of municipal sinking funds must be met and paid to the municipal board. Bonds may be sent to the department, in return for which trust bonds will be sent to the municipality by the department, or cash may be sent and the department will allow the municipality 3½ per cent. interest on it. It is hoped that this system, along with the practice of issuing serial bonds, will do away with any maladministration of sinking funds.

An excellent review of the situation in Western Canada was given by C. J. Yorath, city commissioner of Edmonton, in which he commented on the rising costs of municipal administration and taxation at a time when the population is not increasing. He expressed hope for an improvement of conditions, if careful financing is indulged in.

A resolution was passed calling for the appointment of a committee whose duty it will be to take up the question of taxation with the Dominion and Provincial Governments to work out a unification of the collection system and to reduce the excessive overhead.

BANK OF N. S. IN WALL ST.

Four Canadian Banking Offices Now In Same Block

From Our Own Correspondent.

NEW YORK.—The New York agency of the Bank of Nova Scotia now at 52 Wall Street is to be removed to 49 Wall Street, at the corner of Wall and William Streets. When this change of address is affected by the Bank of Nova Scotia there will eventually be three Canadian bank agencies in the block lying between Broad and William Streets, the Nova Scotia, the Union Bank of Canada at the same address, and the Dominion Bank at 35 Wall.

BOND MOVEMENTS OF THE WEEK

Week Ending May 1

BONDS—	Int. Rate	Due Year	Yield	Range 1922 High	Range 1922 Low	Range 1923 High	Range 1923 Low	Latest Price Ask	Latest Price Bid	Week End High	Week End Low
Canada Bread	6	1941	6.00	99	88½	100	96	100	99	100	—
Canada Cement	6	1929	5.73	100½	94	101½	100	—	100½	101¼	—
Can. Locomotive	6	1951	6.13	100¼	99	99	96½	100	97	98¼	—
Cedar Rapids	5	1953	5.32	97½	93	96½	94⅞	97¼	95¼	95	94⅞
Dominion Coal	5	1940	5.43	98¼	92	98	92	—	93½	95¼	95
Dominion Iron	5	1929	6.33	94	82½	93¾	92¼	93	92	92½	—
Dom. Textile, (C)	6	1925	5.90	101	97¼	100½	100	—	100¼	100¼	—
Lyall Cons.	6	1932	7.56	85	75	90	85	89	—	89	—
Montreal Trams	5	1941	5.67	93½	87½	92¼	89¼	92¼	90¼	92¼	—
Montreal Sept.	6	1923	6.00	102	99	100	99¾	—	99¾	100	—
Ogilvie	6	1932	5.60	102½	100	103	102½	—	102½	103	—
Penmans	5	1926	6.10	94¾	90	97	93¾	—	96⅛	96¼	95¾
Quebec Rly.	5	1939	7.52	87¼	63½	78¼	69	76¾	76	77½	76
Steel of Can.	6	1940	6.00	100¾	97	101¼	99	—	100	100	—
Sterling Coal	6	1940	7.52	85	78½	85	—	—	85	85	—
Wayagamack	6	1951	7.15	88¾	71¾	86	80½	—	86	86	85½
War Loan	5	1925	4.73	96.30	96.10	100.90	99.10	100.90	100.75	100.85	100.60
Do.	5	1931	4.78	99.90	96.25	101.80	99.80	101.70	101.50	101.50	101.35
Do.	5	1937	4.75	101.50	99.50	103.30	100.25	103.00	102.60	102.80	102.50
Victory Loan	5½	1923	4.28	100.70	98.75	100.95	100.25	——	100.60	100.75	100.50
Do.	5½	1924	5.08	100.75	98.00	101.40	100.25	100.75	100.60	100.85	100.55
Do.	5½	1927	4.82	102.70	99.75	103.50	102.35	——	103.00	103.30	103.05
Do.	5½	1933	4.78	104.35	101.25	106.70	104.40	106.10	105.90	106.15	105.75
Do.	5½	1934	5.09	101.45	98.80	103.90	101.30	——	103.30	103.50	103.25
Do.	5½	1937	4.76	106.25	103.00	108.40	106.50	108.10	107.90	108.10	108.00
Do., Renewal	5½	1927	4.96	101.10	99.40	102.80	101.00	102.30	102.15	102.00	——
Do., Renewal	5½	1932	5.13	101.10	99.70	103.00	101.00	102.85	102.75	102.85	102 30

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63 Sparks St. Ottawa

Winnipeg Depositors Suffer Heavy Losses

Depositors of the defunct Dominion Ticket and Financial Corporation, Ltd., at Winnipeg, are to receive 7½ cents in the dollar. The total deposits with the firm at the time of liquidation amounted to $790,558, which means that a total sum of $59,281 will be recovered by depositors who will suffer a loss in excess of $730,000.

PROVINCIAL SAVINGS

For the accommodation of residents in the East End of Toronto a new branch of the Province of Ontario Savings Bank has been opened at Danforth and Carlaw avenues, 549 Danforth. This is the third branch of the Provincial Savings Bank to be opened in the city and the fifteenth in the province.

Exchanging Securities
(With Profit)

SEVERAL of our clients recently sold a preferred stock and re-invested in a high grade 1st Mortgage bond.

This exchange:
(1) gave greater safety of principal.
(2) increased the income.
(3) gave greater price stability.

We try to keep our clients informed on market conditions—suggesting sales when more attractive issues can be bought.

If you care to submit a list of your investments we may be able to advise a profitable exchange for you.

We now recommend
BAY SULPHITE COMPANY, Limited
6½% First Mortgage Bonds Due April 1st, 1943
Price 97.75 and Interest
To Yield 6.70%
Full particulars on request

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INVESTMENTS
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TORONTO
F. H. DEACON J. C. FRASER R. G. DINGMAN
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On Request—

AT the request of a number of our clients, we have arranged for an additional supply of the Economic Review, dealing with general business and financial conditions, which is published each month by the National City Bank of New York, with whom we are closely associated.

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CIVIC AND PROVINCIAL FINANCE

MANITOBA HAS FINALLY RAISED HER MORATORIUM

Last of Provinces to Abolish War-Time Regulation

From Our Own Correspondent.

WINNIPEG.—The Attorney-General's announcement of the lifting of the moratorium against mortgages is significant because it removes from Manitoba a stigma which has existed for nearly nine years. More than $100,000,000 in mortgages is affected.

"Taking a blight off the country;" "Removing a blot from the face of the province;" "Remedying a black eye that ought to have been remedied long ago;" are some of the expressions of Winnipeg business men in expressing approval of the Bracken government's decision.

The present proposal of the government is that 10 per cent. of all mortgages protected by the moratorium at the present time will become collectable on January 1, 1924, 15 per cent. on January 1, 1925, 25 per cent. on January 1, 1926, and 50 per cent. on January 1, 1927. The government's plan of lifting the moratorium is, of course, only tentative so far, but it seems likely to pass the legislature in its announced form. The majority of the trust companies' representatives in Winnipeg are disposed to approve of the gradual elimination. They chiefly differ on the length of time to which the lifting process shall be spread over, whether it shall be three or five years. Real estate operators feel that the moratorium should be wiped out at once. Supporters of this view hold that a man can just as well make his whole adjustment now as later, that he must borrow to clear off his obligations and that he could just as well borrow to the full amount as he could to the extent proposed.

To Encourage Capital

The lifting of the moratorium is welcomed here for the prospect it presents of Manitoba's return to favor in the British and foreign investors' eyes. The moratorium undeniably has kept much British and European money here that otherwise would have been withdrawn during the war period. European investors needed the money but could not get it. On the other hand the moratorium kept and continues to keep British and European money out of Manitoba. Conservative Winnipeg financial men believe that Manitoba has been injured as a field for investment in the eyes of British investors by this legislation.

Manitoba's moratorium law was passed at an emergency session of the legislature in 1914. It was amended in 1915 at the regular session. At a later time it was provided that if interest and taxes were a year in arrears, these could be collected, and still later it was provided that interest and taxes must be kept up to date. Under the law it was not, however, possible to collect any part of the principal which might be due on any contract to purchase land. The amount of money involved under the law is said to have exceeded a hundred million dollars. The majority of borrowers took no advantage of the law. A minority, however, did take gradual removal.

No Real Need for it

Looking backward nine years there now appears no valid reason in Manitoba's business conditions in 1914 why provision should have been made for the cessation of all payments on mortgages, agreements of sale, etc. Business was quiet in Manitoba at that time, but there was no panic, signs of panic, or acute depression. Trade was not quite normal, but it was not much below normal. Just about as many people as usual were able to meet payments on mortgages and agreements of sale It was commonly believed that the law was passed for the protection of a comparatively few people some of whom were in very close touch with the government of the day. The law, as proved, did not solve the difficulties even of these few, and in most cases they would have been as well off if they had faced the situation at the time. There does not therefore, appear to be any valid reason why should be continued.

Manitoba was the first province in Canada to introduce a moratorium. In Ontario, Quebec, New Brunswick, Noya Scotia and Prince Edward Island, no steps of any kind were deemed necessary to protect persons who had made contracts to buy land. In Saskatchewan, Alberta and British Columbia some action was taken in this regard, but it was by no means as drastic as that in Manitoba and the arrangements made in the early days of the war were cancelled in these provinces long ago. In no state of the Union was there, at any time, moratorium legislation due to the war, and in Great Britain the moratorium was of a few weeks duration only. In Manitoba alone this legislation has been maintained for nearly nine years. It is pointed out that the borrowers who were affected by the act all live and vote here, while a considerable number of the lenders live in Europe, and have no votes in this country.

How Regina Will Spend Money Recently Raised

From Our Own Correspondent.

REGINA.—Regina pays 5.61 per cent. for funds on the $389,414 worth of debentures sold to Wood, Gundy and Company, Toronto. In 25 and 30-year maturities, the debentures provide for the following public expenditures:

Sidewalks	$17,000
Waterworks, power house improvements	49,214
Paving and street railway	97,800
Exhibition grounds	32,262
Collegiate Institute	150,000
Miscellaneous improvements	43,000

With the exception of the Collegiate expense, practically all of the items described are revenue-producing. The exhibition grounds outlay involves the installation of watermains, making possible services to numbers of houses along the route; the exhibition grounds are a good source of revenue, being owned and operated by a municipally-controlled board.

Though civic officials hoped to be able to finance nearer the 5-per-cent. mark this year, the sale of bonds is not considered disappointing.

DUTY FREE BOND DEALS DISCUSSED BEFORE COMMITTEE

Province Bought in Many Bonds; Switching in Estates Condemned.

The action of the Ontario provincial treasurer's department in buying in free from succession duty bonds issued by the province previously was reviewed before the public accounts committee of the legislature a few days ago. During the latter part of 1921 and in 1922 the department bought a large number of these bonds, the reason being that bonds were being used many times in large estates. When a death of a holder occurred, the bonds were immediately sold by the manager of the estate to other parties whose estate would benefit in case of death. In this way the province was losing heavily in succession duties. Charles A. Matthews, the assistant provincial treasurer, stated that the department employed no brokers in buying but merely accepted offers as they were made. While the prices paid were in some cases higher than that prevailing on the London market at the time, it was considered good business to buy the bonds as the department had no facilities in London for arranging purchases. Bond dealers are inclined to agree that a marked saving to the province was effected. An instance of this was cited in the case of a million dollars' worth of the bonds purchased from the Sir John Eaton estate. The premium paid on the bonds was $43,000, but if the bonds had gone to other estates the province might have lost $200,000 in succession duties.

Commenting on the practice of switching free from succession duty bonds in estates by trust companies, Mr. Matthews said:

"We have suspicions that successive free bonds have been switched by trust companies from one estate to another, although we have not been able to catch them."

Replying to a question as to whether he suggested that trust companies were perpetuating fraud in the province by switching these bonds from one estate to another, he said that suspicions of that had arisen.

Provided the bonds are switched to an estate before the principal dies, there is no legal restriction and it is asserted that advising a client to buy free from succession duty bonds at a time when the probability of his death becomes great, is the proper course for a trust company. It is difficult to see how the practice in such cases can be stopped.

Switching the bonds to an estate after the death of the principal would of course be fraudulent, but any suggestion that this is being done is not taken seriously by trust company men.

Tenders and By-Laws

TENDERS WANTED

May 10, County of Renfrew—$100,000 6%, 20-year debentures. R. J. Raney, County Clerk, Pembroke. (See announcement on page 19).

May 21, Three Rivers School Commission—$60,000, 5 and 5½%, 30 year debentures. Arthur Nobert, Treasurer. (See announcement on page 16).

May 15, Campbellton, N.B.—$115,000, 5½%, 25-year debentures. John T. Reid, Town Clerk. (See announcement on page 16).

May 14, Sherbrooke—$100,000, 5%, 20-year debentures. E. C. Gatien, Sec.-Treasurer.

May 15, Mun. of Ste. Madeleine d' Outremont—$60,000, 6%, 10-year debentures.

May 7, Hull, Que.—$88,000, 5½% debentures, maturing 1952. H. Boulay, City Clerk.

May 5, Toronto Township — $50,000, 5½%, 30-ins. school debentures. J. R. Kennedy, Clerk, Dixie.

BY-LAWS PASSED OR DEFEATED

Brampton—$65,000 for erection of public school. Passed by the council on April 30.

BY-LAWS TO BE VOTED ON

May 7, Smith Falls — $68,000 for school.

POINT GREY TOLD TO BANISH SINGLE TAX AS UNSOUND

Broader Basis of Taxation Needed to Provide Larger Revenues.

Further sources of municipal revenue for Point Grey, B. C., are recommended by the Citizens' Research Institute in its report on that municipality's finances. Dependence upon land taxes alone is condemned. The institute states, "There is no need to argue the fact that an increased population in Point Grey will mean larger increases in civic expenditure. If land is to continue to bear the whole tax burden the only way this revenue can be supplied, short of confiscation (and even this might prove inadequate) is by a steady and large increase in land values. A short examination of the facts does not indicate the probability of this."

Point Grey's record, it is pointed out, does not tend to create confidence in the single tax system. Facts are quoted that are contrary to the contention that increasing land values will take care of the increasing expenditures necessitated, in order to supply municipal services to an additional population, and even if they could, experience in the past has shown that land values are not sufficiently stable to be the only basis of taxation, even admitting that a single basis were fair.

Widen Taxation Basis

The Institute recommends taxation of lands, buildings and persons instead of land alone. It suggests:

"(1) That land be taxed on the basis of its full value, with a close relation to its market value.

"(2) That buildings or improvements be taxed up to 50 per cent. of their value as permitted under the Provincial Law, and that this percentage be reached in gradual stages, covering three years, 15 per cent. being taxed the first year, an added 15 per cent. the second year, and an added 20 per cent. the third year, bringing it in all to 50 per cent.

"The Institute believes this gradual approach should be used, because, in the first place, it is never wise to change existing conditions too rapidly, and secondly, some time should be given gradually to decrease the tax rate, and thus make impossible too great and sudden an increase in revenue, lest this should create a temptation to spend on too lavish a scale, otherwise the change, instead of making the incidence of taxation more equitable, would simply be adding an increased tax burden to that already existing. The amounts raised from this source would more than make up for the first year for the discontinuance of the sewer and garbage tax as recommended previously in this report.

"(3) In general business should pay for services to business through a business tax, for which a minimum tax might be fixed in the nature of a License, and persons should be taxed for services to themselves as Persons in the form of an Income Tax. Taxes both on business and persons, while based on the rendering of services to the Municipality should be, as far as possible, in proportion to ability to pay.

"At the present time, however, in Point Grey, the necessity for a business tax is not obvious. The number of business houses is negligible and in 1922 the amount of revenue from business licenses was less than $300.

"Again, as far as income is concerned, the Institute believes that a Municipality is too small an administration unit for satisfactory administration.

"In Point Grey the difficulties would be further complicated by the fact that a large number of the residents earn their income in Vancouver, moreover, the citizens of Point Grey are at present paying a Provincial and Dominion income tax and the addition of a Municipal income tax would mean three taxes of a like nature, for the use of three separate governments, and a useless duplication of machinery and costs of collection.

"The Institute recommends that Point Grey join with other British Columbia Municipalities in presenting their claims to the Provincial Government for a proper proportion of the present Provincial income tax, to be used for Municipal purposes, or failing this, for increased Provincial grants for education or other related purposes."

The debenture debt, the institute believes, is still too high in Point Grey, although it may be pointed out Point Grey bonds rank high among Western and Pacific coast municipal issues. Recommendations looking to the improvement of the debenture debt situation are as follows:

"(1) That the Municipality refrain from incurring any further debenture debt unless under very exceptional circumstances, until the per capita is reduced to at least the maximum standard of $200.

"(2) That the smaller improvements for which debentures might be issued be charged to current expenditure.

"(3) That in future, for improvements such as sewers, sidewalks, pavements, curbs, and roadways, the principle of charging the work to the section of the community benefited, be adopted, and worked out in the scale previously discussed, under these various headings. The Institute believes, however, that issuing debentures, even for the purpose above stated, should be very cautiously proceeded with.

"(4) That all local improvement work be proceeded with, under section 55-A of the Municipal Act.

"(5) That debentures be not issued for a greater term than the life of the work.

"(6) That in future issuance of debentures, the advantages of Installment bonds be carefully considered.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place	Sold to	Rate	Term	Amount	Price	Basis
April 23.	Welland County	R. C. Matthews & Co., Toronto	5½%	10-ins.	$100,000	100.772	5.35
April 30.	Montreal R. C. School	R. T. Leclerc, Montreal and Syndicate	5 %	20-yrs.	1,500,000	98.27	5.14
April 30.	Sault Ste. Marie	Wood, Gundy & Co., Toronto			40,500	101.268	
May 1.	Yarmouth, N.S.	Royal Securities and Johnston & Ward, Montreal	5 %	25-yrs.	380,000	96.20	5.275
May 1.	Hull School Com.	R. C. Matthews & Co., Toronto	5½%	30-yrs.	100,000	100.87	

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10,000 Can. Assoc. Goldfields
25 Loew's Windsor Pref.
100 English Electric, with 40% bonus

Will Sell
75 Loew's London Com.
25 Loew's London Pref.
100 Loew's Buffalo Com.
25 Loew's Buffalo Pref.
300 K. & S. Com.
500 K. & S. 7% Bonds.
50 Durant Motors
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INSURANCE FOR BUYER AND SELLER

LARGER POLICIES INCREASE VOLUME OF RE-INSURANCE

Many Considerations in Fixing Amount Carried on Any Life

Considerable comment was occasioned recently by the formation of the Life Insurance Company of Canada. While insurance companies of all lands are in the habit of protecting themselves from serious loss in the case of large risks, no companies were formed previously to transact only a reinsurance business. The success of the new company will be carefully watched.

It is interesting to note that the pioneers in the reinsurance field were German companies and that those companies have come through the post-war readjustments better than the companies doing a straight life insurance business. It is suggested that this is due to the policy of investing the assets acquired in the course of business in the country where the business is secured, the funds being available to meet maturing claims in that country, and not being subject to a depreciation caused by exchange fluctuations.

A number of new reinsurance companies have been formed recently in the United States and in Europe. This opens up the question as to whether much reinsurance will be placed in this way rather than among the regular life insurance companies as in the past. It is stated that the reinsurance company is in a favored position because it is not competing with the regular companies for business from the public and has a large amount of its excess to place with its correspondents, acting, as it were, in the capacity of a clearing house. On the other hand it is pointed out that companies like to place their re-insurance with other companies in exchange for re-insurance from those companies.

It is customary for each company to name a maximum limit which it will accept on any life. In the case of Canadian companies this varies from $5,000 for the very small companies to $50,000 for the larger companies. This does not mean that the company covers up to the limit on any person accepted. Many considerations enter into the matter, such as the applicant's age, family history, physical and moral standards, and only in cases where all these are satisfactory does a company retain its limit. Where impairments are discovered it is sometimes difficult to secure sufficient reinsurance and as a result some who apply for large policies find themselves unable to secure the desired amount of protection. With the tendency toward larger policies the necessity of good reinsurance facilities, especially in the case of smaller companies, is obvious.

A great deal of reinsurance is contracted between Canadian companies, and in recent years the volume placed with Canadian companies by companies from the United States has been increasing. Some cases, where policies running into the millions of dollars were applied for, have been reinsured in part in practically all companies which would accept them.

FINDING VALUE OF INSURANCE STOCKS

Not Listed on Exchanges as in England; Big Increases Since 1914

Few of the shares of Canadian insurance companies are listed on the stock exchanges. While the business statements of the companies operating in Canada are subjected to wide publicity, a difficulty arises in attempting to set a value on the shares of many of them. The real value behind insurance stock is based on many calculations, of which the public has little knowledge. Moreover, in the case of those companies with listed stock, the movements of the stock are so limited as to obscure real values.

In strict contrast to this condition is that of the English companies, which make a general practice of listing their stock. The result is that the values can be ascertained readily at any time.

During the last ten years, insurance companies in Canada have made tremendous advances in the way of business. Many shareholders have reaped handsome returns but statements of the increased values of stocks cannot be secured. Similar advances have been made in England and the increased values of stock is recorded. A report states that the aggregate value of the shares of seventy-nine insurance offices has increased from ninety million pounds in January, 1914, to 157 millions at the end of March, 1923.

Canadian insurance stocks are sold on the call system and varying amounts are paid on different stocks. Some believe that these will, in time, be paid up, and the stocks traded in on the exchange similar to those of our banks. While such a development would clarify the situation for the shareholders, its importance is lessened by the fact that the insurance stock outstanding is not nearly so great as that of the banks.

Thomas W. Miller, U. S. alien property custodian, says under alien property bill about $40,000,000 of properties in custody has been returned to owners, but about $300,000,000 will be retained pending settlement of America's claims against Germany.

Workers Should Pay Share of Pension Fund

The scheme of the only International Board member in N. S. for the creation of old age pensions to miners, is far more reasonable than the plan suggested by a previous U. M. W. delegation that interviewed Premier Armstrong, according to the Mining Record. The Record is inclined to favor the scheme of the accredited member of the International Board, because it does not call upon the government to bear all the expense of such a scheme, but makes the government, the employers and the workers, each contributary in equal proportion. Premier Armstrong, it is claimed, is favorable to this scheme, while he treats the other proposal as not made in good faith.

INSURANCE COMPANIES IN FOREIGN FIELDS

The difficulties which have arisen among German life insurance companies due to the drop in the value of the mark emphasize the importance to large insurance companies of friendly business and political relations among the countries where they operate. This applies in large measure to the Canadian companies.

While Canadian manufacturers have, in many cases, avoided foreign business on account of the extra hazards involved, the life insurance companies have shown considerable enterprise in developing foreign fields.

Canadian companies operate in many other countries including the United States, Great Britain, Japan, India, the West Indies, Latin America and South Africa. Four or five other companies are doing business outside Canada, especially in the United States, the West Indies and Great Britain, while one company began business in Honolulu recently. So great has the foreign business of one company become that it is reported to exceed its business within Canada. Some time ago a Canadian trade commissioner from Latin America stated that the Canadian life insurance man aided materially in stimulating an interest in Canadian business.

SAYS SOME BANKS CONTROL PLACING OF FIRE INSURANCE

Association of Banks and Trust Companies Criticized Before Committee

Much interest in insurance circles has centred around allegations that banks and loan companies were using their control of credit to force the placing of fire insurance through certain trust companies. Some time ago complaints were made by fire insurance agents to the Canadian Federation of Insurance Agents and these were subsequently investigated. According to evidence given by R. J. Wickham, president of the Federation, before the committee on banking and commerce at Ottawa, it was found that certain trust companies were controlled by banks, and where a customer of some banks applied for a loan he was advised that it could not be secured unless his insurance business was entrusted to a certain trust company.

The association of the Royal Trust Company with the Bank of Montreal, the Montreal Trust Company with the Royal Bank, and the Bankers Trust Company with the Merchants Bank before its purchase by the Bank of Montreal, were cited. Mr. Wickham added that this practice was not approved by all the banks.

The viewpoint of the insurance agent is that it results in an unfair advantage being taken by the trust company in competition with other bona fide agents. On the other hand, it is pointed out that it would be extremely difficult to prohibit it, as much of modern business is through controlling interests. Moreover, a large part of the business secured by some companies, especially British companies operating here, comes through trust companies. It is natural that the latter, controlling the administration of large estates, have considerable insurance to place.

In commenting on the situation one prominent fire insurance man stated that the policy of turning insurance to trust companies is practiced much more frequently by loan companies than by banks.

Many Companies Realizing the Need for Life Insurance on Executives

One of the best proofs that business life insurance adequately meets a recognized need in modern business, both large and small, was afforded in the case of Mr. Thomas Lee Shevlin, a young American of great promise, and business ability. The Shevlin Lumber Company of Minneapolis, of which he was president, is one of the largest lumber companies of the northwestern States, and he, being a man of ambitious plans, entailing necessarily large credit, the company was alive to his "insurable interest" as an invaluable asset, and took out policies on his life, payable to the company, in various companies, for a total of $1,525,000. Although a well-known athlete, a noted football coach at Yale, apparently in perfect health, one of the best of risks, he died of pneumonia only four months after he had received his latest policy, which was one of the largest. The insurance monies, however, supplied the basis for indemnifying the business in dollars and cents for the great loss to it of his valuable life.

Its unequalled value was also proven by the death of the president of another large lumber company, which passed to the bankruptcy court before his funeral had taken place. Their banker afterwards reported that $50,000 of life insurance would have saved the situation.

* * *

Two ambitious young men started a laundry, sinking all the cash they had in the enterprise. They were led to consider taking out $10,000 of partnership insurance, but finally decided that they could get along without it. A few months later one of them died. The partner took the widow into the office, giving her a job in order to earn her living, Some weeks later a lawyer and a public accountant walked in and announced that they had come to look into the business at the request of the widow. The result was that the survivor had to mortgage his future earnings in that business for some five years, to pay the widow nearly twice the amount her husband had invested in the business, in order to save it from bankruptcy. The amount of business insurance they had rejected would have saved all this.

* * *

During the late financial panic a well-known man died, while in the midst of building operations, in which he had invested all his money. His widow lost her entire equity in the business, and a neighbor bought her furniture to provide her with money to live on. According to the administrator, if the builder had carried only $20,000 of life insurance, it would have saved the equity in the business for his wife.

* * *

A man with technical knowledge who built up a welding company saw their need of $250,000 life insurance to cover the contingency loss, but it was rejected by the board of directors. About a year later this technical man was killed in an automobile accident, and the stock of the company fell from 200 to below par. Since that time there have been two changes of management, but no profits have been made by that company since their king-pin man died.

Many more impressive examples could be cited where managers and directors have fallen "asleep at the switch," and to show how complacent partners in business enterprises have had to be awakened out of their stupor, to see that the future of their business structures was not as safe and sound as many had imagined. With the cobwebs removed and being completely out of their condition of coma, they cannot sleep peacefully again until the human factors that keep their business going successfully have been insured, as well as the buildings and machinery, including their motor cars.

* * *

You never can tell when that nonrespector of persons, "death," will come, nor in what form, hence it behooves business men to ascertain, as far as possible, what amount of corporation life insurance a company should carry. In some cases it is a delicate and difficult proposition to determine just how much the brains of a concern should carry to cover even a year's dividends or surplus earnings, to say nothing of the losses to credit and assets during the necessary period of readjustment, or the expense entailed in securing a successor. In large concerns this might involve insurance of a number of executives. As is well-known, such a business is so sub-divided that each executive is a master in his own department, and his skill and knowledge involve a risk which can only be, and should be, covered by insurance.

In the circumstances described, caution and a thorough knowledge of the business and its relative interest to be protected, should be procured by both the buyer and seller of insurance. It not infrequently occurs that the man holding an important executive position, apparently, is after all, a mere figure-head—hence the salesman should be not only cautious in the selection of the man who is to carry the auxiliary insurance, but should be at pains to see that the buyer thoroughly understands the situation in every detail.

Insurance Company Seeks Return of Large Deposit

The trustee of the Strathcona Fire Insurance Company, which is in liquidation, has petitioned the Superior Court of the Province of Quebec to order the Provincial Treasurer to return $52,000, being the deposit made by the company in accordance with the provincial insurance law.

The argument of the treasury department for retaining the deposit was that the object of the law was to secure the interests of the insured against loss, and this can only be done by withholding the deposit from the trustee. The court has not yet given its decision.

The practice of requiring insurance companies to place a deposit with the government of a territory which it is entering, has become thoroughly established. The amount varies with the different classes of insurance and the total amount in force. While companies are required to retain a portion of their assets in the territory the deposit acts as an additional safeguard, and it is usually held by the insurance department until provision is made for meeting all claims within the province or country as it may be.

British America Assurance Co.
Fire and Automobile Insurance.
HEAD OFICE - TORONTO.

BOARD OF DIRECTORS: W. B. Meikle, President and General Manager; Wilfred M. Cox, Vice-President; Sir John Aird, Robt. Bickerdike, (Montreal), Ltd. Col. Henry Brock; Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton, (New York), D. B. Hanna, Miller Lash, Geo. A. Morrow, Major Gen'l. Sir Henry Pellatt, C.V.O., E. R. Wood.

Losses Paid Since Organization, over $54,000,000.00.

Western Assurance Company
Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes Insurance.
Incorporated 1851.
HEAD OFFICE, TORONTO, ONT.
Losses Paid Since Organization $87,000,000.00.

BOARD OF DIRECTORS: W. B. Meikle, President, Wilfrid M. Cox, Vice-President, Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper, (London, Eng.) H. C. Cox, John H. Fulton, (New York), D. B. Hanna, Miller Lash, Geo. A. Morrow, Major-Gen'l. Sir Henry Pellatt, C.V.O., E. R. Wood.

THE
CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. George, Superintendent of Agencies

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ALGONQUIN PARK,
Ontario
Spring Fishing

Speckled trout season commences May 1st. The rivers and lakes will offer exceptional sport for the spring fisherman this year. Local conditions in the park reserve have induced the Canadian National Railways to open the outfitting store at Algonquin Park station May 1st. Complete outfits, canoes, provisions and guides together with trip suggestions may be secured by writing to N. T. Clarken, Algonquin Park Station, Ontario.

PRICE BROTHERS TO BENEFIT FROM POWER CONTRACTS

Has a Quarter Interest in Development at Grand Descharges

EARNINGS ARE UP

During Year 2.85% Was Earned on Common Stock as Compared With Previous Year's Figure of 2.12%

From Our Own Correspondent.

MONTREAL.—The annual report of Price Brothers was satisfactory, not so much on account of the earnings for the fiscal year that it showed as for its portrayal of a position in which the company can go ahead upon a larger basis of operations than ever before. Said the president. Sir William Price, "Large stocks of lumber disposed of—general condition of physical assets maintained—first step taken to make Kenogami mill self-sustaining—company now owns 25 per cent. interest in Quebec Development Corporation." These are the best features of the report.

Valuable Power Interest

The interest of the company in the Quebec Development Corporation should prove valuable for shareholders. This gigantic new corporation, capitalized at $25,000,000, has extensive plans for power development in the heart of the Quebec pulp and paper country.

Profits for the year ended February 28 last were $2,388.939, as compared with $1,327,332 in the previous year. After all charges, and a large allowance for depreciation the company earned 2.85 per cent. on the common stock, as compared with 2.12 per cent. in the previous year. The comparative figures for two years are as follows:

	Feb. 28 1923	Feb. 28 1922
Profit	$2,338,939	$1,327.332
Bond int., etc.	419,976	419,976
Balance	1,918,957	907,356
Note int.	......	2,000
Balance	1,918,957	905.356
Deprec.	700,095	......
Net profit	1,218,862	905,356
Dividends	853,664	1,067,976
Surplus	365,198	*162,620
Prev. surp.	341,346	651,992
P. & L. balance	706,544	489,372

* Deficit.

Contracts for Power

Among the comments of the president, Sir William Price, are the following statements:

"The large stock of lumber on hand, referred to in the last report of the company, your directors are pleased to state has been disposed of. The lumber market appears to be somewhat more stable than this time last year and the company's cut for the current season is of an amount which can be readily taken care of at a fair price.

"The general condition of the physical assets of the company has been satisfactorily maintained.

"During the year under review your directors have completed plans for the expansion of its newsprint operations—the first step in which will make the Kenogami mill a self-sustaining plant with a daily capacity of five hundred tons of newsprint paper. These have called for the making of certain financial arrangements, which include the redemption, as on the first of May, 1923, of the outstanding five per cent. first mortgage bonds and the creation of $25,000,000 first mortgage twenty year sinking fund six per cent. gold bonds, of which series "A" amounting to $10,000,000 have since been satisfactorily disposed of.

"Since the close of the year arrangements have been completed under which your company owns twenty-five per cent. interest in the Quebec Development Company, Ltd., and its subsidiaries, which has commenced the hydro-electric development of what is known as the 'Grand Descharges power,' and during the year under report your company entered into a contract for the development of electrical energy from this source to operate its paper plants as now existing, and as required for the expansion in view, a large percentage of which will be used to generate steam."

A 100-Room Hotel for Burned Haileybury

Haileybury, destroyed last fall by a disastrous forest fire, is making a strong bid to come back. It is now seeking a new hotel. It is contended that the town, when rebuilt under the new plan, will be the prettiest in Northern Ontario. So far 500 dwellings are springing up in the burned area.

Haileybury is the district seat of the district of Temiskaming and the majority of the legal business of the North country is normally transacted there. The town is also the port from which supplies sent to the Ville-Marie district of the province of Quebec are shipped and to which the production of that area is transferred to the railway.

At present negotiations are on to erect a 100-room hotel on the site of the old Matabanic. N. Servais, former proprietor of that hostelry, is reported to be in the North in this connection.

ALLEN THEATRES

The Allen Theatres in Canada are to be continued under the direction of Trustee G. T. Clarkson. Thursday, tenders for the interests were opened by the inspectors and Mr. Clarkson, and, while there were bids for individual amusement houses in Toronto and elsewhere, there were no bulk offers. It was decided not to divide the assets and arrangements were made to continue the operation of the houses under Mr. Clarkson and the inspectors.

The Big Flow of Oil is Cutting Gasoline Prices

The oil markets are all easy. The enormously increased output of crude oil has, at last, had its effect and the pressure of stocks has forced some cuts in prices. The oils with the highest gasoline content have held relatively firm, but gasoline has now now started down, as the unseasonable weather has delayed absorption of the huge stocks accumulated over the winter. Standard of New Jersey cut prices last week.

Refiners have been curtailing their runs because of large stocks on hand.

Daily average crude production during the week ended April 14 made another new record, totalling 1,951,650 barrels, an increase of 9,500 over the previous week. California's production now runs above 700,000 daily, more than double what it was nine months ago, and derricks are raised even in Los Angeles cemeteries.

FAIR TREATMENT MUST BE ACCORDED OUTSIDE CAPITAL

(Continued from Page 1)

government expropriated a valuable property and paid nothing for it.

These two matters explain the likelihood of getting different answers being received to the question as to why British capital is not now coming to Canada. It makes it necessary to go beyond the controversial matters raised by the Prince Albert settlement and the Grand Trunk award to find out the true feeling the foreign investor has towards Canada. There is evidence on every side of a lack of confidence in Canada as a field for investment. Why deny the existence of this feeling? It would be much better to remedy the conditions that are responsible for it.

The Western provinces pass legislation of various kinds making seed grain loans a lien on land ahead of mortgages held bv investors the world over through loan companies operating in Canada. They abolish by legislation various features of mortgages that were put there to protect the lender of money. As a result British, French and foreign capital becomes frightened. There are lands in other parts of the world that give legislative encouragement to the investment of money rather than legislative restriction. The provinces go into the loaning business in competition with these companies. They loan money at less than cost and pay no taxes. At the same time they double and triple the taxes of the ordinary loaning companies to foot the bill for their own deficits. They go into the banking business; the telephone business; the railway business; the business of developing water power; and raise the taxes on other firms in these lines of endeavor. It becomes increasingly difficult to make a fair profit in a private enterprise and private capital does not attempt it. If it did get to a profitable stage it might have its plants and franchises taken away by legislative enactment. Yes, this has been done in Canada and there is no single line or phrase section in the whole of the constitution of Canada that can prevent it from being done again.

Where Are the Builders?

There is another phase of the story yet to be told. Once upon a time there was a race of builders in Canada, men of grit and vision and resource; men of the stamp of Sir William Van Horne, Sir William Mackenzie, Sir Donald Mann and others. They saw the possibilities of Canada and devoted their lives to the development of these possibilities. They took tremendous chances and built. Canada owes them much to-day. Some of them, aided by politicians and public funds, built recklessly. But they built. Then came the swing to public ownership of nearly everything. And the war followed. The feeling towards these masters of individual effort swung around and from public heroes they became public scapegoats, the butts of the pharasaical sections of the press. Not content with correcting the smaller errors of the great construction period the country swung completely around. Paternalism and nationalization became watchwards. And the master builders simply left Canada to build railways and power plants in South America, Africa and other countries.

Encourage Private Capital

It would have been far better if the public's interest in the doings of private initiative had been protected by sane legislation rather than by a swing over to the policy of discouraging any investments whatever of private capital from other countries in the tremendous undeveloped natural resources of Canada.

Let us get people into Canada, by all means. But let us get too a different viewpoint towards the man who is ready to send his dollars as well as his sons; let us bid his capital welcome and assure him that when he takes a chance on a mine, or a farm, or a bank, or a power plant, the people of Canada will not take his investment away from him as soon as it becomes a success. Rather let us assure him that as long as his dollar helps to make Canada a better place to live in, we will let him have a fair rental for the use of that dollar and protection against its spoliation.

EXPORTS OF WHEAT

The total amount of wheat exported from Canada during the seven months ending March 31st, was 166,294,208 bushels, value $186,438,070. Of this amount, 134,344,188 bushels went to the United Kingdom, 27,605,720 bushels via Canadian ports and 106,738,468 via the United States. The quantity of wheat exported from Canada during the same seven months a year ago was 109,769,399 bushels, value $130,461,036.

INVESTORS OF B.C. GO IN LIGHTLY FOR MINE SPECULATION

Majority of Successful Projects Are Owned in United States

From Our Own Correspondent.

VICTORIA.—There has been a steady increase in the interest displayed in British Columbia mining development and new capital is flowing in all the time. One of the regrettable features of mining in this province has been the comparatively small amount of Canadian money that has gone into mining ventures. The majority of the successful projects, which have returned handsome dividends, are owned and operated by American interests. Efforts are now being made to interest Canadian and English investors in British Columbia mining properties to a greater extent than in the past.

Alternate plans for wise investment in mining enterprises in this country were recommended by Dr. S. J. Schofield, of the University of British Columbia, in addressing the British Columbia Bureau of Mines. One plan recommended by Dr. Schofield provided for investment in a small development company of limited capital; the other for formation of a large company with a capital of at least half a million dollars to develop prospects into producing mines. The development company would engage a competent engineer and restrict its operations to exploration and development work, the revenue being derived from sale of the most promising claims to companies with adequate resources to convert them into producing units.

Concrete Proposal

Investment in the larger company was urged upon the business men of British Columbia by Dr. Schofield, who contended that the formation of such organizations constituted the only sure way of stimulating and maintaining local interest in the mining industry. These larger companies he suggested, should not concentrate on one or two properties, but should scatter its investment over a group of at least ten claims in different mineral areas. He stated:

"It has been worked out from experence that about two groups out of every ten finally develop into producing mines and to place mining on a substantial and not on the basis of a gambling venture, as has frequently been the case in the past, ten groups of claims should be developed simultaneously in order that at least ten claims might turn into producing mines and give sufficient returns to pay dividends on the whole investment. I believe that under efficient organization, employing only the most skilled engineers and geologists a company capitalized for one million dollars would bring mining in Vancouver into the realm of business."

OPTIMISM REVIVES WITH SPRING SEEDING IN WEST

(Continued from Page 1)

acts as an unfailing stabilizer—counteracts unrest, preventing war.

The West has a preponderance of those men and women who accept the land for their vocation and are content. For themselves and their children they do not experience the insatiable cravings for comforts and pleasures which surround the city-dweller. Good food, sufficient clothing and adequate shelter are their essential needs.

The Taste for Luxury

Men and women, given a taste for luxury, rarely re-accustom themselves or are satisfied with mere comfort and mere essentials again. Perhaps this accounts for the attitude of mind of a large number of people who are ostensibly engaged in farming. Educated to occupations which do not involve manual labor; turning to agriculture merely because it is expedient or necessary to do so, such a class are foredoomed to failure.

One readily recognizes the type—those who come to prairie farms with absurd expectations for wealth. They have been misled by wild tales of fortunes to be made in wheat growing; they have no intention of remaining farmers; it is their sole ambition to make sufficient money to make them financially independent or to enable them to enter some form of occupation which they consider more congenial.

Finding their high hopes shattered, after perhaps being temporarily sustained by profitable seasons, these people become dissatisfied, disgruntled and begin to pity themselves. They search about for some circumstance, some reason, to account for their failure.

A Personal Problem

The writer has personal acquaintance with a number of failures—not bankrupts alone, but people who have miserably and unsuccessfully tried to secure a measure of the best things the world and life itself has to give. In no single instance have these failures given a reason within themselves for their adversities. Each has been able to describe how outside forces, beyond their control have militated against their happiness—even against them making money.

From such sources the unrest and agitations of the present day originate. The disgruntled, discontented farmer, who longs for things which farming will never bring him, whose mind is chaos from schemes to make an easy living and not to make living easy, begins to agitate like the ferments in new wine. The effect is exactly similar. His neighbors, formerly contented with the modest fruits of their labors, are infected with the virus of discontent.

That is how the agrarian agitation developed in the West; that is why a portion of the farming population are pursuing bubbles instead of looking within themselves for the cause of their non-success. That is why class legislation is advocated to make farms and farm work profitable. From the same basic cause does unrest in other classes spring.

Hence the peril to the country's stabilizing influence—a thrifty, well-fed, well-clothed, contented, rural population.

Canada's most sound authorities on agriculture give the opinion that for a generation at least wheat growing must be the mainstay of the West; but all agree that the introduction of mixed farming and less wasteful methods are essential. It is a great question if ever in the history of the world the growing of cereal crops only has proven profitable save in abnormal times and under abnormal conditions. War time was an illustration of this and the experience was costly to many who failed to realize in the post-war period expectations based on the state of affairs existing when the war was on.

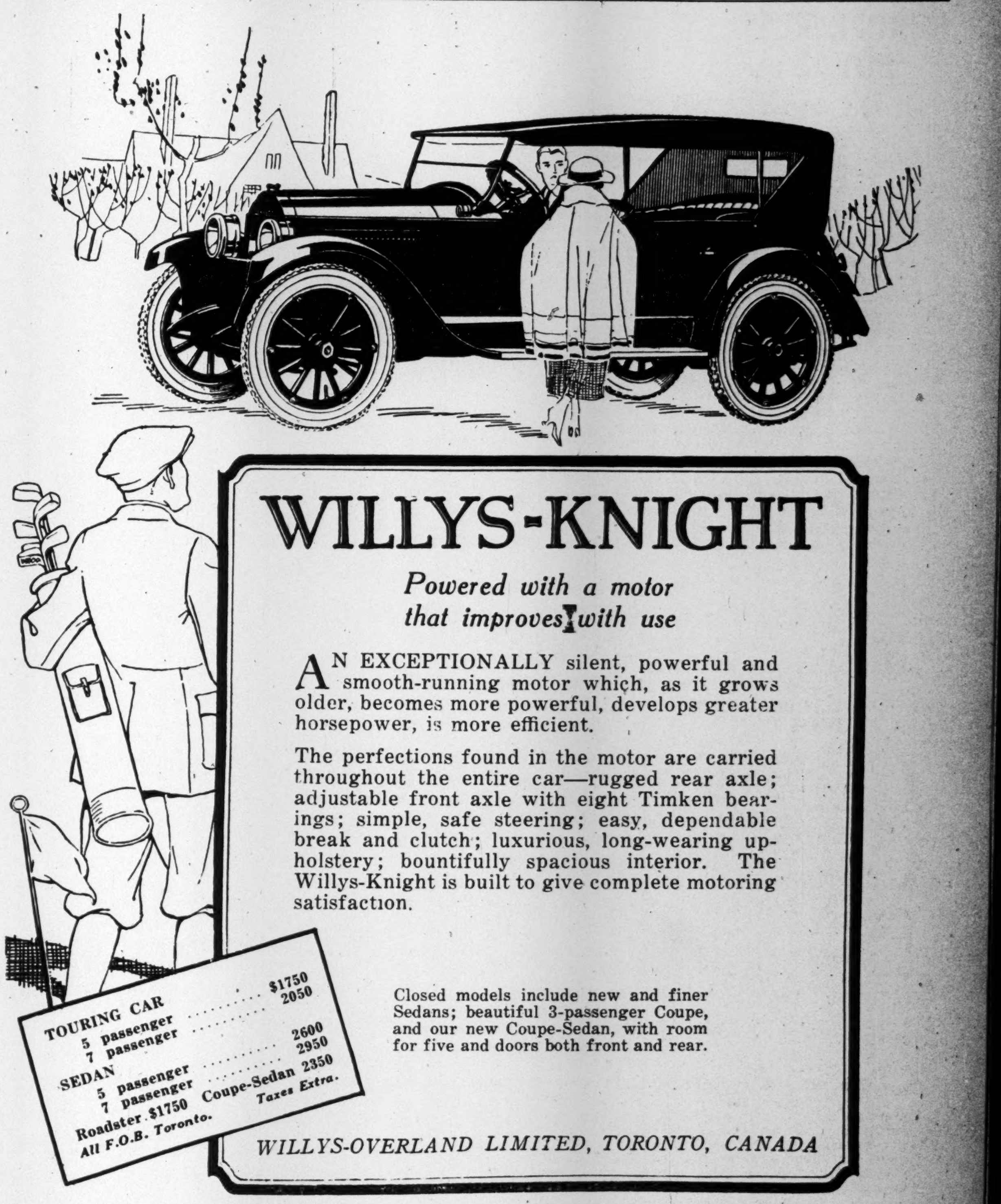
Foreigners Make Good

The backbone of Canada's Western farming population is still, happily, of the English-speaking class. Foreigners make a success of farm life because they are satisfied with less, work harder probably and are content to plod instead of soar. It is a fact which must be faced that most of the farming failures in the West are of our own English-speaking people. And there is just as wide a gulf between English-speaking farmers who succeed and the English-speaking farmers who fail as between the latter category and the foreign born.

In all nationalities, for those who are content to farm and are satisfied with moderate comfort, success in farming will be found. But the get-rich-quick idea must be discarded. Political farmers contend this is impossible—agriculture cannot strike a balance—without lowering the basis of living.

For those engaged in agriculture, the maximum of comfort is desirable, but just as the city dweller must cut expense to balance income, so must Western farmers adjust, in ratio, income to outgo. The man on the farm has many advantages to counterbalance the disadvantages he suffers by comparison with the lot of those who live in the urban centres. He is independent—or should be—of rent, commodity price fluctuations; the fact that he is able to produce those things which feed his family and has no worries concerning his job, makes him the envy of the city man. If, as in all occupations, he refrains from gambling, there is no reason why—with honest work, good land and moderately favorable conditions—he should not become an asset to the country, not a persistent seeker after government assistance.

Blindly seeking relief which lies only within themselves, some are willing to destroy, forthwith, the institutions which ages and great mental material have contributed to; would replace those institutions in a single day with experiments.



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Closed models include new and finer Sedans; beautiful 3-passenger Coupe, and our new Coupe-Sedan, with room for five and doors both front and rear.

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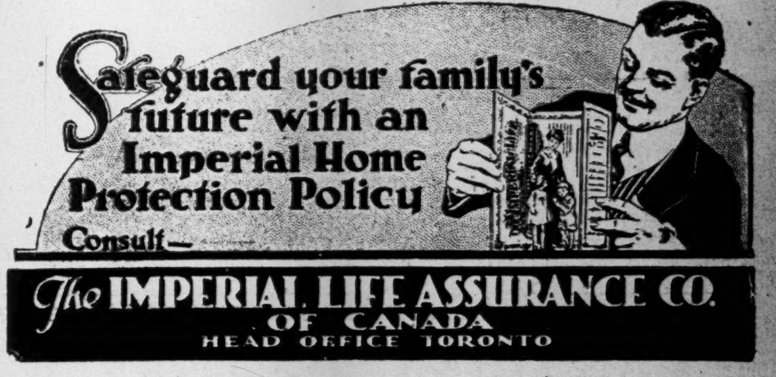

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Dear Sirs—Without obligation on our part, please send us particulars of your Commercial Protection Policy.
Name of Firm ....
Address ....

12

EUROPE MUST PUT FINANCES ON SOUND BASIS

Meeting of Deficits by Aid of Printing Press Must Cease.

By FREDERICK C. GOODENOUGH,
Chairman of Barclay's Bank, Ltd., London, Before American Bankers' Association.

European trade is suffering from unsound currency and a return to satisfactory monetary conditions involves a recognition of the necessity of re-establishing public finances on a sound basis and a determination to secure equilibrium between state revenues and expenditures. The people of the various countries must be prepared to submit to the increased taxation which such a reform may and usually will entail, while on the expenditure side all necessary reductions and military and other charges must be made. Where, for a time, borrowing is essential and the loans cannot be raised internally from real savings, some measure of external assistance may become necessary, but the expedient of meeting recurring deficits by means of the printing press must cease. The one essential preliminary to their adoption is a settlement of the reparation problem.

Greater Co-operation

Whatever may be the amount which has eventually to be paid by Germany, or the plan by which Germany may decide to restore her currency and balance her budget, credit will be required if any substantial payments in cash are to be made. If Great Britain and America are prepared to co-operate, as a purely commercial proposition, in finding at all events a portion of the initial sums that may be required, in such case a satisfactory arrangement as to the length of the moratorium should be a comparatively easy matter.

I do not regard the amount that is likely to be required as being very large, and I feel quite sure that, given stabilization by Germany, adequate security could be offered.

German Reparation Bonds

My belief is that a solution will be achieved. I assume that an agreement will be reached in the matter of reparations, and I think Great Britain and America, as the two great creditor countries of the world, can, by acting in co-operation upon commercial lines, carry the matter a long way toward a successful conclusion.

I think German reparation bonds could be made attractive if the principle of the endorsed bond were accepted. I feel sure that to the investing public in Great Britain and America, in fact, throughout the world, a bond given by Germany, specifically secured by German assets and bearing also the endorsement of the recipient nation which had received it on account of reparations, would prove a marketable security, when once a reasonably satisfactory settlement is in sight.

I should like to refer to Austria as an example of co-operative effort. We consider the bonds to be issued by that country will form a very reasonable security, yielding a good rate of interest. The placing of these bonds should enable Austria to recover from the desperate condition into which she fell, and again to become the financial centre of that part of the world. Should this result, great benefit would accrue to those interested in foreign trade.

Must Act Now

Commerce during the last two years has adjusted itself to some extent to changed world conditions, and every interchange of commodities increases the possibilities of further trade. Gradually the natural effect of the insistent pressure of all peoples to satisfy their minimum requirements will restore once more a wider and more normal demand. But we must act and not wait for the slow outcome of natural remedies.

Britain and America are already allied in sympathy. Our instincts and our interests are the same as yours, while to a great extent, like you, we are unhampered by merely political entanglements. We can, by action together, do much good for the world.

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CANADIAN ASSOCIATED GOLDFIELDS LIMITED

BALANCE SHEET

as at December 31, 1922

ASSETS			
Fixed Assets:			
Mining Properties, Larder Lake, Including Development, Timber Limits and Power Rights at Raven Falls and Wendigo, at value at which acquired, (Satisfied in part by the issue of Capital Stock)			$20,988,398.21
Plant and Machinery			149,483.41
Horses, Wagons, Etc.			1,994.43
Office Furniture and Fixtures			1,968.28
			$21,141,844.33
Current Assets:			
Cash on Hand and in Banks		$249,921.85	
War Loan and Victory Bonds, at par and Accrued Interest		212,858.38	
Accounts Receivable		4,880.96	
Inventory of Supplies (Book Value)		50,018.46	
			517,679.65
Development and Office Expense (1921-1922)			
Mining properties		302,609.99	
Wendigo Power Rights		22,392.94	
Office and Miscellaneous		32,741.04	
		357,743.97	
Less:			
Interest on Bank Balances and Investments	$52,215.50		
Power Sales	16,729.37		
		68,944.87	
			288,799.10
Total			$21,948,323.08
LIABILITIES			
Capital:			
Authorized. 30,000,000 shares of $1.00			$30,000,000.00
Issued, Trust Receipts for 21,934,096 shares of $1.00 each, fully paid			$21,934,096.00
Current and Accrued Liabilities:			
Accounts Payable		$10,569.89	
Wages Accrued		3,657.19	
			14,227.08
Contingent Liabilities:			
(None Ascertained)			
Total			$21,948,323.00

MARWICK. MITCHELL & CO.,
Chartered Accountants.

STATEMENT OF RECEIPTS AND EXPENDITURES FOR FOURTEEN MONTHS ENDING DECEMBER 31st, 1922

Cash on hand and in Banks, October 31st, 1921		$501,920.58
War Loan and Victory Bonds		112,710.03
RECEIPTS:		614,630.61
Interest on Bank Balances, Bonds, Etc.		27,737.00
Received on Accounts Receivable		6,321.44
Sale of Power		5,421.32
		654.110.37
EXPENDITURES:		
Wages		93,064.51
Supplies		40,666.89
Office Expense		16,389.11
Wendigo Power Development		12,479.24
Diamond Drilling		12,406.16
Machinery and Equipment		7,909.66
Freight		3,337.04
Mining Property		3,000.00
Logging		1,419.10
Workmen's Compensation		423.69
Office Furniture and Fixtures		234.83
		191,330.14
War Loan and Victory Bonds	212,858.38	462,780.23
Cash on hand and in banks, December 31st. 1922	$249,921.85	
		$654,110.37

VETO POWER HAS NOT OFTEN BEEN USED BY OTTAWA

Sir Allan Aylesworth, as Minister of Justice, Did Not Exercise It

From Our Own Correspondent.

MONTREAL.—This week's debate in the House of Commons on the subject of the disallowance of a statute of the Province of Nova Scotia was notable in focusing attention on a little understood phase of Canadian constitutional practice. Within the sphere of matters specifically delegated to the provinces, the provincial legislatures are supreme, bowing only to the veto power of the king through the governor-general in council, which in actual practice means the Minister of Justice as adviser to the cabinet at Ottawa. But the veto power has not often been exercised. The sovereign power of the people to do as they please and legislate as they will has been largely recognized and interference by the Federal government has not often been necessary. Conservative governments have been more prone to interfere with unjust legislation than Liberal governments, the latter giving a freer rein to provincial actions. The disallowance of the Nova Scotia Act by the Liberal Minister of Justice is the more noteworthy in view of the past record in such matters. Sir Allen Aylesworth, as Minister of Justice in the Laurier cabinet, refused to exercise his power of veto even against admittedly confiscation legislation.

The cases of the town of Emerson and the Ontario Power Company will be remembered by many.

"Immoral and Confiscatory"

The statute disallowed in this case had over-ridden decisions of the Supreme Court of Nova Scotia and the Supreme Court of Canada and vested interest in a certain gypsum property in parties other than those mentioned in the award of the courts. The act was classed by the Dominion government as immoral and confiscatory and therefore was vetoed by the governor-general in council. Sir Henry Drayton—a former Conservative cabinet minister—objected, but was unsuccessful in getting the House to condemn the government's action.

The action of the Dominion government may strengthen the faith of some doubters of the Canadian constitutional system. It has been pointed out by such leaders of thought as Prof. J. Murray Clark, that adequate protection is not given to private rights under the Canadian constitution. Some students argue that the Canadian constitution—the British North America Act—should be altered so as to make it impossible for provincial legislatures to interfere with private rights Such a safeguard appears in the constitution of the United States. No state legislature is permitted to legislate against rights of private property. Others feel that a wider exercise of the power of veto of the Dominion government—as in this Nova Scotia case—would be sufficient.

Some Views on the Subject

Earl Grey, late governor-general of Canada, privately expressed the opinion that the veto power was insufficient as a protection to investors. R. B. Bennett, K. C., eminent Calgary lawyer, and Sir Clifford Sifton are among those who have expressed similar views.

There is, of course, a school of thought that adheres to the present system. The words of Joseph Chamberlain, the British statesman, are interesting. He said: "The right to complete and unfettered control over financial arrangements is essential to self goverment."

So long as there are opposing ideas on the subject, no change in the Canadian constitution looking to a stricter check upon provincial legislation of an immoral or unjust nature is likely but it is well that Canadians should have a clear conception of the exact nature of the powers accorded to their legislatures and the attitude of the governments in power at Ottawa in the matter of the exercise of the veto.

Newsprint at $80 Ton is Price Now Discussed

From Our Own Correspondent.

MONTREAL.—So keen is the demand for newsprint that a price of $80 per ton for the last half of the year is now being discussed. Costs have been rising and have given justification for the increase in price, it is felt by paper men. Some mills are stated to be in favor of the rise but it remains to be seen whether the Canadian companies as a whole are willing to incur what some regard as the risk of curtailing consumption by putting the quotation up another five dollars per ton.

There is a good demand for kraft pulp which is manufactured by Wayagamack and some other mills. Prices are remaining firm but the Canadian mills have not yet followed the example of the United States companies, which a week or so ago increased prices a quarter of a cent a pound in kraft.

ILLINOIS TRACTION

The Illinois Traction Company reports gross earnings for the month of March amounting to $2,109,263 compared with $1,944,105 for the same month in 1922, an increase of $165,158. Net over expenses and taxes amounted to $691,423, an increase of $48,584. Gross for the three months ending March 31, amounting to $6,417,433, showed an increase of $638,954, and net at $2,265,099 was higher by $366,089.

TORONTO FIRE RAISES INTERESTING POINT

Policy Cancelled by One Company Few Days Before; Liability of Companies Questioned.

Considerable discussion of the position of a fire insurance company when a risk is in the process of being charged from one company to another has arisen in connection with the fire at the Parkdale Canoe Club quarters in Toronto recently. It appears that one insurance company cancelled its policy within a week before the fire, and it was replaced by another company. The question arises as to the liability of the companies concerned.

The opinion is that the company taking over the risk, having accepted it, is liable for its share of the loss, but the position of the company which made the cancellation is not clear. The usual practice is for the company to secure the return of its policy, which cancels its liability. Failing this, the company may effect cancellation by giving seven days' written notice without securing the return of the policy. However, much insurance is placed through brokers, and it is claimed that when a broker, being advised that a company wishes to withdraw a risk, places it with another company, the former is automatically released. Claims occasionally occur at the time that insurance is being adjusted, one company reporting a claim which arose fifteen minutes before the insurance terminated.

The exact circumstances surrounding the insurance of the Parkdale club have not been made public but the results will be carefully watched by those interested in fire insurance.

BRITISH BANKS PLAN TO DEVELOP RESOURCES OF EMPIRE

(Continued from Page 1)

ish debt agreement with the United States, Mr. Goodenough's speech, the coming Imperial Economic Conference and the industrial future of the Dominion, as all being more or less intimately connected.

The British Treasury is, as one banker remarked here the other day, thanks to the debt agreement with the United States, faced by a situation which is somewhat the same as that faced by Germany in relation to the payment of reparations. Both Britain and Germany have payments to make in settlement of war debts; both are confronted by the difficulty of paying these debts in a way which will be agreeable to their creditors.

Britain has agreed to pay her war debt to the United States, but how? As every student of economics knows, international payments can only be made in goods or gold. Apparently the United States wants neither. This country has about all the gold it wants and the Fordney McCumber Tariff apparently expresses its attitude towards the importation of larger quantities of British manufactured goods.

Can this problem be solved by broad development of the natural resources of the Dominions? is the question which some British bankers are asking themselves, according to Canadian bankers in a position to know British financial opinion. Specifically, can Britain help herself pay her debt to the United States by pouring British capital into the development of those Dominion industries which supply the United States with manufactured goods or raw materials which this country cannot produce itself? As Mr. Goodenough pointed out in his speech, Britain is in a position to force the United States to accept millions of dollars' worth of crude rubber, tariff or no tariff. As more than one Canadian has pointed out to your correspondent recently, Canada is doing the same thing in the case of pulp and paper, nickel and to some extent asbestos, all products indispensable to a modern industrial nation. Is this list to be extended by means of British capital?

Feeding the U. S.

Secretary Hoover has publicly stated that within ten years the United States will probably be an importer of foodstuffs. Two million people left the American farms during 1922, according to the United States Department of Agriculture.

The United States urban population is growing at the expense of the rural. Who is to feed the growing population of the American city in the face of the falling rural population?

There are many far-seeing Canadians resident in the United States who believe that the Dominion of Canada is to become to an increased degree the source of many of the products which are indispensable to the future growth of the United States as an industrial nation. Foodstuffs, nickel, lumber, pulp, paper, asbestos—are these to be added to the list of raw and partly manufactured materials with which the British Government will eventually pay its debt to the United States? There are many here who, after Mr. Goodenough's address, are inclined to answer in the affirmative.

Those who hold this opinion believe that the intensive development of Canada's natural resources would not only enable Great Britain to pay her debt to the United States but would, of course, develop a large and growing market in Canada for British manufactured products of all kinds. Thus Britain would solve two problems which at present face her, the one that created by the debt settlement with the United States, and the other that of finding work for her industrial unemployed.

Halifax Shipyards have recently been engaged entirely on repair work. The Halifax drydock is continuously engaged, as are also the four marine slips and six cradles at the Dartmouth plant.

PROVINCE OF QUEBEC

THE SCHOOL COMMISSIONERS FOR THE CITY OF THREE RIVERS

Public notice is hereby given that sealed tenders, endorsed "TENDERS FOR DEBENTURES," and addressed to the undersigned, the Treasurer of the School Commissioners for the City of Three Rivers, will be received until 4 o'clock p.m., of the 21st of May, 1923, for the purchase of SIXTY THOUSAND DOLLARS ($60,000.00) of Bonds of the School Commissioners for the City of Three Rivers, dated the 1st of May, 1923, and redeemable in thirty years, the 1st of May, 1953, bearing interest (a) at the rate of five per cent. (5%) per annum, (b) at the rate of five and a half per cent. (5½%) per annum, payable semi-annually the 1st May and 1st of November in each year.

The principal and interest of these bonds are payable at the office of the Hochelaga Bank, in the City of Three Rivers, or in the City of Montreal, or in the City of Quebec.

These bonds shall be issued in denominations at the option of the purchaser.

Each tender must be accompanied by a certified cheque for an amount equal to one per cent. (1%) of the amount of the loan. The cheque of the tenderer whose offer is accepted shall be returned to him after the execution of his contract.

The interest accrued on the bonds must be added to the price offered at the time of their delivery.

The tenders will be considered at the meeting of the Commission, which will be held on the 21st of May, 1923, at 8 o'clock p.m., at the customary place of meeting.

The Commission does not bind itself to accept the lowest or any tender.

The Treasurer,
ARTHUR NOBERT.

Three Rivers, Que.,
the 26th of April, 1923.

THE BANK OF TORONTO

DIVIDEND No. 167

Notice is hereby given that a **Dividend of Three Per Cent.** for the current quarter, being at the rate of **Twelve Per Cent. per annum** upon the Paid-Up Capital Stock of the Bank, has this day been declared, and that the same will be payable at the Bank and its Branches on and after the **FIRST day of June next** to Shareholders of record at the close of business on the 10th day of May, 1923.

By Order of the Board.
JOHN R. LAMB,
General Manager.

The Bank of Toronto, Toronto,
April 18th, 1923.

THE CANADIAN BANK OF COMMERCE

DIVIDEND No. 145

Notice is hereby given that a dividend of three per cent. upon the capital stock of this Bank has been declared for the quarter ending 31st May, 1923, and that the same will be payable at the Bank and its Branches on and after Friday, 1st June next.

The transfer books of the Bank will be closed from the 17th May to 31st May next, both days inclusive.

By Order of the Board.
JOHN AIRD,
General Manager.

Toronto, 13th April, 1923.

DURANT MOTORS OF CANADA, LTD.

Notice of Annual Meeting of Shareholders

The Annual Meeting of the Shareholders of DURANT MOTORS OF CANADA, LIMITED. will be held at the Head Office of the Company, Leaside, Ontario, on Friday, the 18th of May, 1923, at one o'clock p.m. for the purpose (a) of electing directors of the Company, (b) of approving the acts of its Directors and officers during the past year, (c) considering and if approved, confirming bylaw number eight of the Company, amending the general by-laws of the Company with reference to notice of meetings of the Company to be given to shareholders, and (d) of transacting such other business as may come before the meeting.

The record of shareholders entitled to vote at said meeting will be taken as at the close of business April 25th, 1923.

BY ORDER OF THE BOARD OF DIRECTORS.
CARROLL DOWNES,
Secretary.

The Transfer Books will be closed from 25th April, 1923, to 19th May, 1923, inclusive.

SEEDING UNDER FINE CONDITIONS ON THE PRAIRIES

(Continued from Page 1)

chases. For example, if you buy 10,000 bushels of wheat for future delivery you pay no tax, but if you sell your 10,000 futures without taking delivery of the wheat, then you pay the tax. On wheat the tax is 6 cents per 1,000 bushels; flax 12, and oats, barley and rye, 3 cents. Figured on last year's trading it is expected that the province will realize about $2,000,000 from this tax.

Some idea of the magnitude and stability of the Winnipeg wheat market can be gathered from the fact that 12,670,000 bushels were delivered through the clearing house on May first, yet the market broke less than one cent and would not have shown even that amount of weakness had it not been for the heavy break in Chicago where delivery of 1,500,000 broke the market 2½ cents.

The exceptionally heavy May deliveries were of course due to the late opening of navigation. The date of opening averaged over a period of years has been April 20. It is fully expected that boats up-bound will pass the Soo to-day (Thursday.)

The lateness of the opening will prevent the ore boats coming in for one cargo and at the same time the amount at the head of the lakes is larger than in any other spring season.

Prices Sixty Per Cent. Above Pre-War Level

Prices in general are about 60 per cent. above the pre-war level and wages in some instances have more than doubled what they were before the war, and in the case of the steel workers the present $4 daily scale for common labor is just about double the scale of 1915, according to the National City Bank of Chicago.

The country still has enormous aggregate buying power, with the great industrial corporations in a vastly safer inventory position than was the case in 1920.

County Debentures for Sale

Tenders will be received by the undersigned up to twelve o'clock noon of the tenth day of May instant (1923) for the purchase of debentures of the Corporation of the County of Renfrew for One Hundred Thousand Dollars ($100,000.00) for improvement of their highways, payable in twenty years from the sixth day of May, 1923, bearing interest at 6%. Debentures issued in $1,000.00 and odd amounts, payable yearly during the term. Debentures contain provision for registration.

No tender necessarily accepted. Have envelope marked "Tender."

Dated the twentieth day of April, A.D. 1923.

R. J. RONEY,
County Clerk,
Pembroke, Ont.

Tenders for Debentures.

Sealed tenders, marked on the outside "Tender for Debentures," will be received by the undersigned up to May 15th next, at noon, for $40,000 Town of Campbellton Town Hall Debentures and $75,000 Permanent Street Debentures, dated June 1st, 1923, maturing 1948, bearing interest at 5½ per cent., payable half-yearly. The lowest or any tender not necessarily accepted.

JOHN T. REID,
Town Clerk.

Campbellton, N.B., April 28, 1923.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent., upon the paid up Capital Stock of this Institution has been declared for the current quarter, payable on and after Friday, the FIRST day of JUNE next, to Shareholders of record of 30th April, 1923.

By order of the Board,
FREDERICK WILLIAMS-TAYLOR
General Manager.

Montreal, 27th April, 1923.

DIVIDEND NUMBER 110

Hollinger Consolidated Gold Mines, Limited

(No Personal Liability)

A dividend of 1% upon the outstanding capital stock of the Company has been declared payable on the 21st day of May, 1923, on which date cheques will be mailed to shareholders of record at the close of business on the 3rd day of May, 1923.

Dated the 26th day of April, 1923.

D. A. DUNLAP,
Treasurer.

BANK OF HAMILTON

DIVIDEND NOTICE

Notice is hereby given that a dividend of three per cent. (twelve percent. per annum) on the paid-up capital of the Bank, for the quarter ending 31st May, has this day been declared, and that the same will be payable at the Bank and its branches on 1st June next, to shareholders of record at close of business May 15th.

By order of the Board,
J. P. BELL,
General Manager.

Hamilton, 23rd April, 1923.

The Royal Bank of Canada

DIVIDEND No. 143.

Notice is hereby given that a Dividend of Three Per Cent. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Friday the first day of June next, to shareholders of record at the close of business on the 15th day of May.

By order of the Board.
C. E. NEILL,
General Manager.

Montreal, Que., April 13, 1923.